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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

EDITED BY

WILLIAM B. DANA.

VOLUME FIFTY-FIRST,

FROM JULY TO DECEMBER, INCLUSIVE, 1864.

LIBRARY OF THE UNIVERSITY OF

New York:

WILLIAM B. DANA, PUBLISHER AND PROPRIETOR,

CHAMBER OF COMMERCE AND UNDERWRITERS' BUILDING,

Nos. 61 AND 63 WILLIAM STREET.

1864.

HF1
M15
M51

ALPHABETICAL INDEX

TO SUBJECTS CONTAINED IN THE

MERCHANTS' MAGAZINE & COMMERCIAL REVIEW.

VOLUME LI.

FROM JULY TO DECEMBER, 1864, BOTH INCLUSIVE.

EDITED BY WILLIAM B. DANA.

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GEORGE W. WOOD, Printer, No. 2 Dutch Street, N. Y.

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

JULY, 1864.

THE EX-SECRETARY OF THE TREASURY AND HIS SUCCESSOR.

The finances of a great nation, in times of crisis, are often fatal to the minister that undertakes to guide them. That Mr. Chase would, sooner or later, break down under the system he put in action, was very apparent to every reflective mind; but the immediate and sudden termination of his career was hardly looked for. Nevertheless, events seem, latterly, to have crowded so fast upon each other, the course of depreciation being so rapid, forcing the Secretary to the most desperate expedients to stem the downward torrent, that it became very evident he would speedily be swept away by it; and he, therefore, resigned on the 30th of June. The President immediately nominated David Tod, Ex-Governor of Ohio, as his successor. Mr. Tod was known mostly as a politician, but had, in his career, identified himself so decidedly as a hard money advocate, that he won the *sobriquet* of "Pot Metal Tod." Although that gentleman promptly refused the office his antecedents, in that respect, were taken as indicative of Mr. Lincoln's views upon money questions. The Hon. William Pitt Fessenden, who has represented Maine two terms, as United States Senator, and who has served as chairman of the Finance Committee, was then nominated, and immediately confirmed as Secretary. This gentleman is a lawyer, and one whose financial theories and experience have been gained only in the Finance Committee; but he has personal qualities, which enable him to command more public confidence in that situation than would, perhaps, any other mere politician. If the country is fated to be governed by lawyers, in all its departments, perhaps Mr. Fessenden is as good a choice as may be made.

He has, however, a terrible task before him, to assume what may be called the *débris* of the splendid patrimony of the country, which, with *carte blanche*, was put into Mr. Chase's hands, but has, with his manipulation, been so wasted as to have the nation now, we might almost say, in a state of bankruptcy. To restore a currency which has once been so depreciated, and, at the same time, extract taxes and the means of carrying on the government, seems to the practical financier almost a hopeless task; since the restoring of the currency in-

volves falling prices. These cannot decline without causing losses, bankruptcy, diminished value of property, and suspended production, a state of affairs that destroys the power to collect taxes, and makes borrowing difficult, if not impossible. Yet this is the task from which Mr. CHASE shrunk, after causing the necessity for it, and which Mr. FESSENDEN has now to undertake.

When Mr. CHASE first assumed the position of Treasurer the personal property of the Northern States was, per census, $2,500,000,000, the debt nominal, and the currency specie; at the last published statement the debt is given at $1,720,000,000; but it is well known that the real amount is many hundred millions in excess of that sum; in fact the debt, we believe, is nearly equal to the personal property in 1860; while the personal property itself has greatly diminished in quantity during the war. Of this debt about $800,000,000 is in various forms of paper money, which had depreciated to 40 cents on the dollar on the day of Mr. CHASE's resignation; so, also, two loans put on the market by Mr. CHASE, had failed. The expenses for the coming year, estimated some months since, are about $1,000,000,000. Now with the currency 40 cents per dollar, with the loans unproductive, and with all prices at a high level of inflation, and daily rising, Mr. FESSENDEN is called upon to provide for the coming year. The task is not a light one. Its great difficulty consists in the fact of the present high and increasing prices for commodities, and that all the taxes of the government are taxes upon consumption or indirect taxes. There are no taxes upon property. This alternative then presents itself:—If the present level of currency is maintained the expenses of the government will be swollen by the high prices to an extent equal to the product of the new taxes. To illustrate —the Quartermaster's Department bought last year 283,940,284 lbs of corn, or 4,800,000 bushels, at 90 cents, making $4,320,000. The same quantity now will cost $7,100,000. Thus $2,800,000 of the increased taxes is sunk in that one article. The pay of the troops is higher; the same number of men and subsistence will cost 50 per cent more this year; consequently the new taxes count nothing as a resource, unless the present prices are reduced.

On the other hand, if prices fall, the stringency and distress thereby caused tend to make the collection of taxes difficult and loans impossible. The revulsion set on foot by Mr. CHASE to cause a reduction in gold, has reduced the customs revenue to a point far below the wants of his interest account, and the prospect is not propitious for the future payments. Such, then, is the condition in which Mr. CHASE leaves our finances; and these facts should be well understood now, lest hereafter Mr. FESSENDEN be blamed for disasters, to avert which was beyond the power of man.

The initiative error of Mr. CHASE seems to have been a distrust of the people. He, apparently, in taking possession of the Treasury, understood that a large amount of money must be raised for the support of the war, but he was afraid that the patriotism of the country would not remain proof under the burden of taxes; that if he imposed such taxes as were indispensable to the maintenance of the war on a sound basis, the people might shrink from its prosecution. He therefore determined that the war should go on, and that by means of paper issues it should be made apparently profitable, always

promising that it should speedily end, and, perhaps, hoping that peace would come before bankruptcy.

In his report, Dec., 1862, page 22, he wrote:—"If, then, the war should be continued, contrary to hope and expectation, to midsummer, 1864, and the public debt shall reach the utmost limit now anticipated, of seventeen hundred millions of dollars, the excess of revenue will reduce the debt, in the first year of debt, more than three per cent."

Midsummer has come, and with it a debt of about two thousand millions, and the revenue he promised does not exist. These hopeful predictions, however, were a part of the expedients which Mr. CHASE adopted, and which have, in the absence of all plan or system, helped to produce such a constant succession of alarms and surprises. When, for instance, the public has been alarmed by the effects of paper money, it has been promised curtailment, but has been surprised by new issues. The distrust of all has, however, been aroused, perhaps, more than by anything else, through the attempt to overturn the whole national system of finance, by the introduction of a new system of National Banks of a very pernicious character. With the establishment of these, all dependant upon the Secretary, grew up a system of agencies, also taking their tone from Mr. CHASE, who, in his turn, reflected only the pernicious councils of interested parties. He was thus gradually estranged from the banking interest of the country, and then from the influential and practical private bankers, whose sagacity and skill were the most valuable aids the Treasury could have had.

Embarked upon the sea of paper money, and terrified by its effects, Mr. CHASE revived all the expedients of a past age; the sales of gold, the gold prohibition, besides many other devices, and numberless expedients that had no effect but to increase depreciation. Last year, when the Ohio elections were pending, Mr. CHASE could not avoid parading his seeming success before the people in stump speeches. He was then at his *apogee*. He plumed himself upon his discovery of a paper money that would not depreciate by increase of quantity. To be sure it did depreciate, but he said that was faction. He claimed for it permanency and uniformity. The former is, alas, too true, and the latter is seen in the rate of discount. He said he had paid all debts, and had $25,000,000 in the Treasury; that he could pay the army Nov. 1, and had, therefore, time to electioneer. In recounting the course of his success, he stated that after he had borrowed all the gold he could get, he was struck with the remarkable fact that gold did not come back to him as fast as he had paid it away—an experience that must come home, we apprehend, to everybody who has expended borrowed money, and whose ability to borrow more is at an end. When he discovered that he could not borrow the notes of others, he concluded to pay out his own. This, however, he found was only another form of borrowing, and that there was the same indisposition to take his notes without interest as those with interest. He then conceived a new idea, and compelled them to take them by making them a legal-tender. On these paper wings he has floated higher and higher, while the whole community was being exhilerated and intoxicated by reason of his paper draught. At the same time gold has been demanded for duties. He has caused the importers, in the last year, to buy $100,000,000 in gold to give him for duties, and the tell-tale price they were compelled to pay accurately measured the distance of his paper

flight from a substantial foundation. He then began to sell gold himself, while he sought to prohibit all dealing in it. But the crisis had arrived when Mr. CHASE was at the height of his paper flight, and while flaunting in the pride of his success, the process of his undoing was at work.

"ICARUS was very near the sun, but there was nothing to prevent the melting of the wax in his wings, and bringing him under a cloud of his own feathers."

We trust and believe our new minister of finance will show more wisdom, and though the task before him is a difficult one, yet, with confidence once restored, much may be done that seems now almost impossible.

THE NEW EMPIRE OF MEXICO.

A. K. SHEPHARD.

THE "Conquest of Mexico by France" in the June number of the *Merchants' Magazine* is an article both interesting and valuable as a history of the occupation of that country by the French, and yet its general drift is towards the popular falacy which construes the occupation into an act of hostility towards the United States.

This country has always occupied a dog-in-the-manger position towards the Spanish American republics. While loudly protesting against any interference in their affairs, and professing to be the natural protectors of these weak and unfortunate States, we have suffered them to dash themselves to pieces on the rocks of civil discord.

Satisfied with proclaiming to the world our belief in the Monroe doctrine, we have never shown any consistency between our professions and our practice.

In the year 1858, when General Houston proposed in Congress the establishment of an American protectorate over Mexico, how much sympathy did his plan attract? And yet at that very time the Mexican people would have hailed such a protectorate with joy. The writer was then traveling in Mexico, and, so far as his observations extended, the intelligent portion of the community were unanimous in desiring American intervention. Wearied with civil wars, they were ready to accept as a blessing any interference in their affairs which, leaving them their own government, would still protect the country with the strong arm of law.

Again in St. Domingo, previous to the Spanish usurpation, the people were anvious to annex their fertile island to the United States. Everything was done on their part to bring about annexation, and how did the United States receive their overtures? With indifference, and this, by nature the richest of the West India islands, was suffered to fall into the grasp of Spain.

Incapacity has ever marked our conduct of Spanish American affairs, and now that we are reaping the fruits of our folly we lay the blame upon others. Is it that American genius is not suited to diplomacy? In a list of forty ministers and consuls-general why should one-eighth be foreigners?

In a somewhat extended acquaintance with Spanish American cities, the writer never saw but one United States consul who spoke the language of the country in which he resided. A similar lack of linguistic accomplishments generally falls to the lot of American ministers. It may be a matter of no importance, and yet to a casual observer it does seem that closer relations might be maintained by representatives who, thoroughly acquainted with the people to whom they are accredited and alive to their wants, should seek to turn their knowledge to the advantage of their own country. This is more particularly true of the South and Central American republics, in which proper effort would establish the United States as a leader and protector.

Mexico, New Granada, Chili and Peru were the seats of the highest civilization of the aborigines of this continent, and it is among the elevated table-lands of the Cordilleras and the Andes that the white race must yet attain its highest perfection in the new world.

In those equable and tempered climes are developed neither the sloth and indolence of a purely tropical climate, nor the apathy and plodding dullness of the north, where life itself is wrested from nature by hand-to-hand conflict, and the exertion to maintain it often takes from existence its greatest charms. In every northern country whole classes of community barely live.

The vicissitudes of climate, long, rigorous winters, the scant, unyielding soil all call for ceaseless labor. But on the fertile plains of Mexico, life is supported with scarce any exertion, and in a perpetual spring-time to live is in itself happiness. Perhaps it is in the mission of machinery to overcome the difference between the climates, and free man in the North from his many toils. Future centuries will develope that fact; as yet in natural capabilities for civilization the North is far behind.

It will perhaps be asked, if these southern countries are the natural home for civilization why do we find them as they are?

The answer is, that the proper race has not yet come into possession. Had the pilgrims landed where Cortez did, who can imagine the glories which Mexico would have attained? It is her mongrel race which has retarded her development, nor can we look for improvement till a different element is introduced.

Mexico for more than thirty years has been an abomination to civilized nations. No one who has resided there, a witness of ever-occurring deeds of violence and tyranny worse than ever disgraced a despotism, will grieve that the Mexican "republic" should have succumbed to any government which can guarantee stability and quiet. We might have assisted Mexico to a better state. We did not. France saw the advantages to be derived from so rich a country. Her claims upon it were unjust, but no government founded upon justice has existed in Mexico for years. The only question to decide is, whether the empire will prove beneficial to the country and not inimical to ourselves. Quixotish ideas with regard to freedom and republicanism should not be allowed to have weight. No one would recommend a republican government for the barbarous tribes of Africa. Even we (self-satisfied as we are), are a century behind our institutions.

Mexico has been tried and found wanting, and no one who has carefully observed the country from the Coatzacoalcos to the Rio Grande,—who has become familiar with the people, from the cultivated Spaniards

of the capital to the ignorant and unambitious Indians of the south, or the squalid rancheros of the north, can conscientiously say that from their present condition, any more than from their past history, are the Mexican people fit for self-government.

Complacent theorists may sit quietly at home, and while outrage upon outrage is perpetrated under their very noses through the folly of entrusting the sacred right of suffrage to unfit men, they may talk beautifully of the rights of man and universal liberty. But that scarcely proves that semi-barbarians should be allowed to usurp the privileges that belong only to those who have the intelligence to exercise them. The great fault with these theorists is, that they do not distinguish between the rights of men and their privileges. All men are entitled to "life, liberty, and the pursuit of happiness;" those are rights. The privileges of office should be entrusted only to those who are qualified to discharge its duties. What could an uneducated boor do at the head of the finances, or foreign affairs of a great State? And yet, look at the mismanaged municipalities, where matters that affect only property holders are almost entirely in the hands of men as unprincipled as they are penniless. This is our "model" country.

In the city of Mexico, and the larger cities of the interior, the political power has always been centred. Large districts of country are entirely isolated from the capital, and communication is difficult and dangerous over the rough roads and mountain barriers. These isolated districts have never had anything to do with making or unmaking governments. Exempt them from forced contributions and levies of troops and they care not if Maximilian is Emperor, or Santa Anna. If central Mexico can be held the country is subdued.

It is only a strong government that can develop Mexico, organize and manage her resources, and bring together the discordant elements that harass her. There is now in the country sufficient intelligence to prevent a depotism any worse than the so called republic has always been. Let the people remain quiet and they will grow into a republic. Already the French have inaugurated improvements in the country. Forty miles of railway from Vera Cruz towards the capital have been completed—a railway begun in 1856, but which could not be carried on under the protection of the republic. Twenty-five years of peace will place Mexico as much in advance of our land of fickle fortunes, principles, and weather, as the Aztecs were ahead of the Potawattomies.

What have we to fear from an empire in Mexico? Is it military expiditions? Let the timid study well the geography of Mexico, and they will fear as much the aggressions of Russia, from her possessions on the northwest corner of the continent. The only country on this hemisphere with which we have an important trade is the Empire of Brazil. To foster this trade Congress has wisely granted subsidies to a line of steamers. Shall we respectfully inform the Emperor that in accordance with the requirements of the Monroe doctrine he must change his form of government? Let us rather turn our energies towards fitting ourselves for the blessings of a free government which is much too good for us, and not thrust our republicanism upon people to whom it would bring as much good as Greek testaments to Congo negros.

If France, or England, or Maximilian can bring a stable government to Mexico, let us be thankful, and foster our relations with the country, that

we may profit thereby. And before we cry out against "the destruction of the liberties of a free people," let us ascertain whether they ever were a "free people." Can any one doubt that a well ordered empire is better than an anarchy? Was France happier under Robespierre than under Louis Napoleon?

SANDWICH ISLANDS.

NUMBER I.---HONOLULU AND THE PAHEI.

H. B. A.

HONOLULU.

After several weeks at sea the bold promontories and volcanic peaks of Oahu are very pleasant to the eye. As the ship sweeps past Diamond Head, under the strong north-east trade-winds that prevail for ten months of the year, we catch our first glimpse of Honolulu, its beautiful valley—Nuaanu—the long line of surf that marks the reef, and the few ships at anchor in the harbor beyond; and in a few moments we are at anchor among them. The view bursts upon the eye so suddenly that it dazzles and bewilders by its beauty and variety. All the wealth of the tropics cannot be gathered at a glance. The most easily remembered landmark is that first seen from the eastward—Diamond Head, an extinct volcano of irregular shape and great boldness of outline. It rises about five miles from the town, and at a distance appears a truncated cone, its single ridge, broken by inequalities, rising from the plain and attaining its greatest height at the sea-shore. On nearer approach, the sides and circular shape of a volcano are plainly visible. As in most of the extinct volcanoes of the Sandwich group, the outer rim of this crater is supported by bold and massive buttresses—a grand order of architecture designed by the great Architect of the universe. Man might profit by imitating them,—indeed, so similar in conception are the buttresses of gothic cathedrals, that one could almost believe them to have been modelled after the giant supporters of these mountain temples. These ponderous buttresses are the overflow of the lava dripping from many points on the rim of the bowl, and finding its way downwards until cut short by the sea.

At the foot of Diamond Head, on the side towards Honolulu, is an extensive grove of cocoa-nut trees, growing along the beach and forming with the volcano sure signs to remind us that we are approaching a tropical land. Glancing past these and along a strip of land washed by the surf for two or three miles, the eye rests upon a massive stone building, with belfry and clock-tower, the native church of Honolulu and the only structure of any size in the town. It is a very remarkable building—a landmark far off to the sailor approaching from China or Australia. Many a poor fellow, who has not seen the inside of a church for years, has been reminded of his duties or his privileges by this, the church of the Pacific. To the left of the stone church, and nestling at the foot of Nuaanu Valley, lies the town, looking like some quiet New England vil-

lage, with its neat white houses, its warehouses of brick and stone along the water's edge, and here and there a flag-staff with the Hawaiian, or, it may be the American flag displayed; and, let it be said, more frequently the latter than the former. The delusion is almost complete until the ship is moored to the wharf; only the singular mountains, bearing marks of fire, and the tropical cocoa-palms are there to break the charm; but on landing it is soon dispelled by the strange words of the dark-brown natives, their *aloha* of welcome, and the sight of a grass hut here and there among the houses of the foreign residents. Still, after a residence of several weeks, it is difficult to conceive of it as a Kanaka city, for an acquaintance with the listlessness and want of enterprise entering so largely into native character constantly reminds the stranger that the American-built houses and the comforts they contain are the results of foreign, not of native thrift and skill. True, the king and the nobles, as well as some of the most intelligent and industrious among the natives, possess similar houses, well furnished with most of the comforts of civilized life, but the great mass of the people are not capable of the continued effort necessary to procure them.

To tell the truth, as it was told me by one who visited it in 1840 with the United States Exploring Expedition, "Honolulu is an American colony, sir, quite an American town, sir." If this was true then it is much more so now from the gradual decrease of the native element and increase in the number of American residents since the opening of California. No doubt the English residents, especially since England has appointed a bishop for the islands, would take umbrage at such an assumption; but it is nevertheless true, the amount of English capital, trade and interests bearing but a very small proportion to those of America.

Excepting the churches, Honolulu can boast few public buildings. The palace of the king can be seen only by those honored by a presentation at court; the Custom-house and Court-house are stone buildings of no pretension whatever; the Queen's Hospital, at a short distance from the town, is not a very large or very elegant structure, while the Hawaiian theatre is an old, tumble-down affair, apparently given over to the rats and centipedes. The public offices, as they are termed, on Fort-street, are very unpretending wooden buildings, painted a Quaker drab and half hidden by a high wooden fence of an unexceptionable brown color. A Quaker congregation would be quite at home on the premises, notwithstanding the ominous sign-board, "*Department of Foreign Affairs and of War*"—which last bureau is a pleasing little fiction of the Hawaiian officials harming no one. The churches are, in reality, the most important and interesting of the public buildings. Of course the stone church, so conspicuous from the sea, is chief among them, gathering a congregation of some 3,000 natives on the Sabbath, and being the great town hall or "tabernacle" in which all public meetings or concerts are held during the week. Built, as it was, entirely by native contributions and mainly by native skill, it will be the monument of this people when the causes which are wasting them away shall have worked out their inevitable result, and the nation is extinct.

Although this end is seen approaching, the church is yet well filled on the Sabbath, and the services, conducted in the Hawaiian language, have many devout attendants who do not lose a single word of all that is told them from the pulpit. It would be well if their quiet and attentive de-

meanor could be transplanted to some of our own churches at home where the sleepers outnumber the hearers.

Besides the native church the Congregationalists have a chapel where regular services are held in English, and there is a seamen's chapel which, in the times of whaling, has often been crowded with sailors.

The Roman Catholics have a handsome, well-built cathedral on Fort-street which is quite largely attended by natives, whose love of finery overmasters their religious teaching; and the English Puseyites or Reformed-Catholics as they prefer to be called in Honolulu, have a small chapel and a smaller congregation at the entrance to Nuaanu Valley. They propose, however, to erect a large and suitable building for the new bishop.

In a small place like Honolulu the rivalry between these various sects soon becomes bitter, and just at present a strong mixture of political interests with those of the English Church affected by the advocates of the New Establishment, has given rise to more sharp feeling than has existed for some time past. The late king seemed disposed to unite church and state after the manner of Great Britain, and having sent to England for an Episcopal clergyman and received a bishop, he gave him a standing and position at court as Lord Bishop of the Isles, which has almost turned the head of the reverend gentleman. Much political capital is made of this, and the certainty, within a few years, of the Hawaiian dynasty becoming extinct, together with the advantage to be derived by either nation of possessing superior political influence at that time, when the islands will fall either to the United States or Great Britain, gives much interest to the matter, and in the minds of the people of foreign birth in the islands makes the slightest change in affairs appear a matter of stupendous importance to both countries. To hear some of them it would be supposed that the eyes of the whole world were upon the honorable gentlemen representing the great nations at the Hawaiian court, and that the slightest difference of opinion between them was an affair of national importance. Little questions of etiquette assume in their eyes a national importance. For instance: a prodigious sensation was made last May (1863), by the refusal of the American minister to hoist the stars and stripes on the Queen's birthday—a pretty piece of discourtesy, the more marked since the day was made a public holiday, and the foreign consuls all hoisted their flags. Englishmen waxed indignant at the slight to the Queen, as they called it, and could not be pacified. It turned out that the minister had deemed this course necessary for the honor of his country, since Washington's birthday had not been observed at the British embassy. In such silly controversies time passes at a court where there is little to do. It is proper to remark that the gentleman now representing the United States at Honolulu had not at that time entered upon his official duties, and that strange stories of the incompetency of his predecessor were afloat.

In this connection it is impossible to avoid mentioning the close bonds which unite foreign residents at Honolulu to their native countries, however long absent and isolated the individual may have been. The oldest missionary turns to the United States as *home*, although he may long since have dismissed all hope of returning thither, and the children of missionaries, born and brought up on the islands, have as absorbing an interest in the great struggle now progressing in the States as any boy

in New York or Kentucky, and are quite as well informed of its nature and progress. We have Hawaiian citizens in our national army who are followed with lively interest by friends and relatives in this little kingdom of the Pacific. This failure on the part of residents to identify themselves heart and soul with the land of their adoption marks the difference between a rising nation and a feeble one. New York city alone receives as many emigrants in a single month,—often in a single week, as would outnumber the entire population of the Sandwich Islands. They come from out all nations under Heaven. In a few years their nationality is lost; they are swallowed up in the great sea of American citizenship; but in these islands the few hundreds of foreigners who from time to time have settled there have been a peculiar people, superior to and separated from the natives, and while the latter are melting away the former, maintaining their distinct and commanding position, are destined in the end to become the sole inhabitants of the group. It is true that many among these foreigners marry native wives and take the oath of citizenship, but this does not alter their relative position. Their wives are elevated by the alliance, and their children are educated as whites, rising above the people in thought and associations. Some of these children are so nearly white that it would be impossible to detect the shade of native blood.

It is this clearly defined line between the native and foreign population, and the gradual diminution of the former by natural causes, which marks the certainty that in a few years even the shadow of power will have left this people. It only remains with them now by sufferance, for in reality the foreigners possess most of the political power and money capital of the group. Any sudden development of the sugar interest would so much increase the white population as to make them sole owners of the soil, as they are now to a very large extent. Then any serious attempt by the king and chiefs to legislate against their interests would speedily lead to a revolution, by which the whites would become in name as they are now in reality, the leading power in the Sandwich Islands.

During the last three years the sugar interests have increased so largely, and it has been so well proved that the business will pay large profits notwithstanding the failure of several enterprises through ignorance and lack of capital, that it may be considered a matter of great probability—almost of certainty—that the next five years will see a marvellous change in the standing and prospects of the country. Honolulu hitherto has been known only as a port of call where our whaleships have touched twice a year for supplies. Soon it will be a great export mart for sugar, and possibly for coffee. With less outlay of labor the rich lava soil of Hawaii and Kaüai will produce larger crops of sugar than any other land in the world, not even excepting the rich cane-lands of Cuba. The great wants are capital and skilled labor. Native labor is abundant enough and cheap enough, but totally inadequate for the cultivation of the islands on a large scale. Capital is scarce, and the place so remote that it is not easily attracted thither; but for sugar planting it is increasing. With ample capital and improved machinery the sugar culture will soon become the great industry of the islands, and a source of wealth to all who engage in it bringing skill and energy to the work.

Honolulu at present is in a transition state between the prosperity

arising from the whale fishery and its position in the Pacific as a central depôt for whale ships, and the new and more enduring benefits to be received as the warehouse of the sugar-plantations. The business it enjoyed with the whalers has failed almost entirely, and the business it will do for the planters has hardly been felt as yet; so between the two the town is like the ass between the bundles of hay in the fable.

It is among the most beautiful and sluggish, unenterprising cities of the world. Sometimes it is cut off from the rest of the world for a month at a time. Ships pass on their way to China, but they do not care to lose the trade-winds by touching, and then the stagnation becomes awful. The weekly papers are filled with profound speculations as to what has become of the monthly packet. The literature of the month is exhausted; there is little to interest in the daily routine of life. The merchants, with nothing to do, meet on the shady side of the streets to smoke their pipes, while the natives drone in the sunshine. Such places are greatly given to scandal and gossip where each man knows all the affairs of his neighbors.

Then woe to the unlucky traveler who has completed his tour and is compelled to wait a China-bound vessel to be once more in motion,—a ship always expected, daily reported, and rarely touching. They see "lights out at sea," and speculate interminably, always sure that it is the "only chance." When at last a ship appears all is excitement for a day or two, and then the citizens slide back into their old habits of brushing off flies and indulging in long meditations to wake up at the next arrival a month later.

Some unfortunates have remained waiting, watching for two months, and taken passage at last to San Francisco in despair, retracing two thousand miles of their journey. Such was the ill-fortune of Mr. Dana, who wrote "Two Years Before the Mast."

THE PAHRI.

By far the most interesting sight to the stranger at Honolulu is the precipice at the head of Nuaanu Valley, called "the Pahri, or Jumping-off Place." It is but a short horse-back ride from the town, from which, indeed, it is plainly seen. The road leads out through the Nuaanu Valley, gradually rising between beautiful villas hidden in kukui or candle-nut trees and cocoa palms, and between patches of kalo, rice, and sugar cane. The kalo patches are peculiar to the islands and China, the irrigated pits especially belonging to the Nuaanu Valley. A little stream running through it is used to irrigate acre after acre of kalo-pits as they descend, like terraces of table land, from the head of the valley towards the sea. Few of them contain more than two acres of land, and, as they lie adjacent, walls of turf with foot-paths upon them are thrown up between the pits. The kalo is planted in hills like maize, and the stalks and roots being under water, the broad flat leaves are thrown out like those of the lotus, although in shape they resemble those of the rhubarb or pie-plant. One of these pits will support a native family; every part—root, stalk, and leaf being edible. Baked, the root is superior to the sweet potato and bread-fruit; ground and fermented it is used as *poi* by all the natives of Hawaii, and constitutes the national food; while from the leaves cooked as spinich is made one of the most piquant and wholesome dishes to be had in any country. It is the most nourish-

ing and prolific vegetable known, and is grown so cheaply that with twenty-five cents worth of *poi* a native can subsist for ten days, which is a rate of expenditure one-third less than that of the Chinese coolie, who has the reputation of living on less than any other human being. A kalo-pit forty feet square will support a man for a year, the fruit ripening at all seasons.

The kalo lands are most numerous at the foot of the valley where the soil is richest and more thoroughly moistened with the drainings from the hills. Leaving them behind, we find that as we rise the view of the town and bay increases in beauty with every step of ascent. Mountains rise on either hand to the height of two thousand feet, with spurs or buttresses branching off to the valley. All these are covered with small shrubs and ferns, and here and there a waterfall or a single thread of water trickles over their sides.

A single conical hill, with its slightly depressed crater called the Punch-bowl, stands to the right of the valley, and just in front of us is the clear outline of the Pahri, seemingly less than a mile away. Turning, the prospect embraces almost every kind of tropical scenery to be viewed in the islands; the ocean, surf, and beach with its fringe of cocoa-palms; the arid plains at the base of volcanoes where the work of decomposition has barely commenced, and the fertile valleys where water or the hand of man has crumbled the lava-rock into a rich black soil; the volcanoes themselves now extinct, but showing in the bold outlines and the desolation near their summits the fearful work of fire; and last, but not least, the cheerful dwellings of civilized man—a city hidden among trees. By our very side, in the foreground of the picture to make it complete, stands a native hut, like a relic of the past, its grass-thatched sides and roof telling of a semi-barbarism that forty years of christianity have not entirely effaced.

The first hint that you have reached the Pahri probably is that your hat is blown away. The mountains form here a funnel, as it were, through which the trade-winds sweep with incredible force. They quite take the breath away, and no one who has stood on that superb height, glancing over the country below, will fail to acknowledge that the first glimpse was taken with *breathless* interest.

The precipice is about eleven hundred feet above the country below, and probably two thousand feet above the sea, which is visible about eight miles away. The descent is absolute; no turnings and little hills like steps to break it, but from the rock your horse is standing on, the native huts at your very feet seem far away and dwarfed by distance. The plain below is bounded by a vast amphitheatre, the sides of some gigantic crater on the rim of which is the Pahri. Its diameter probably exceeds twenty miles, possibly twenty-five—it is of little consequence which, for when looking from such a height the mind is satisfied; it is enough that the eye has full sweep for miles on either side.

The rim of this amphitheatre is by no means regular; peaks that would form respectable mountains rise from it, and the outline as seen against the sky has all the ruggedness of a mountain-chain; but the walls are as straight and uniform as if placed by design. They are supported by the familiar lava-buttresses and are quite bare of vegetation. Many conjecture that at some former period the sea played against these grand old buttresses, and, driven by the fierce trade-winds, it has hollowed out

this vast amphitheatre. Even without this conjecture, which is plausible, the shape of other craters and their character will readily explain all the phenomena of the Phari.

The country enclosed by these walls looks as if it might be the garden of Oahu, the grass and the trees are so green and the patches of lava-rock so few. Two or three extinct cones rise between the Pahri and the sea; their sides are covered with verdure, and the level land, watered by the showers that fall frequently on the windward side of the mountains, ought to be very rich. It is quite possible that the winds blow too fiercely along the coast to admit of sugar-planting in parts of this valley, for sand-dunes of considerable size are plainly visible from the hill; but if this proves not to be the case, no doubt in time this will be one of the most fertile cane-growing valleys of Oahu. One sign of the native thrift of former times, showing that it has supported a large population, is the number and size of the fish-ponds that line the sea coast as far as the eye can reach. To be seen at all at a distance of eight or ten miles they can be of no mean dimensions, indeed many of them are made by stretching side-walls to the coral reef that skirts the shore. Kameha-meha the Great enclosed whole bays a mile across for his private fish-ponds, and to this day a large fish-pond is the pride of the Kanaka.

What a change has come over these islands since their discovery by the white man! On every side we see traces of a dense population of which the present is but a remnant. Nuaanu Valley was occupied and cultivated almost to the Pahri, and standing there we look down upon the work of past generations.

The causes of this sad decline are but too familiar, the poor Kanaka being no exception among the nations who have illustrated the laws attending the meeting of all nations of the western world with men of the Caucasian race. The decline of the Hawaiians began even before the first attempt to civilize them, in the fierceness of their wars and savage cruelty to prisoners where any were taken. This very Pahri was the scene of a battle which might take its place in Greek or Roman story. It was in the time of Kameha-meha the Great, a savage Alexander who, beginning at Hawaii, conquered all the kings of all the neighboring islands; in short, the whole world as known in his island empire.

It was not done without terrible struggles, for the people of Maui and Oahu, led on by heroic kings, fought like Spartans, preferring death to defeat. On Oahu the fight began on the beach of Honolulu and continued a long summer's day in the Nuaanu Valley. Step by step the invaders drove the King of Oahu backwards towards the terrible Pahri. He knew to what that backward course was leading him, and with his followers fought in the courage of despair. It was all of no avail,—the Hawaiians were too strong for them. Conquerors of Maui and Lanai, they could not be withstood in the flush of victory, and grimly the warriors of Oahu approached the frightful precipice. Driven together like sheep in the narrow pass there was not even a chance of escape, and although many of them dragged their foemen over the cliff, none were able to elude the savage fury of the victors. Tradition speaks of over a thousand warriors who perished at the foot of the Pahri.

CONGRESS AND THE CURRENCY.

C. H. C.

In his report to Congress, December 9, 1861, Secretary Chase says:—"It is too clear to be reasonably disputed that Congress, under its constitutional powers to lay taxes, to regulate commerce, and to regulate the value of coin, possesses ample authority to control the credit circulation which enters so largely into the transactions of commerce and affects in so many ways the value of coin."

The nation is under obligations to Mr. Chase for his clear and unqualified assertion of the authority of Congress in this matter. There can be no doubt of the authority, but it has needed authoritative assertion; it is self-evident; without it there can be no adequate sovereignty in the government; no way of commanding or of protecting the resources of the nation. A currency of debt made by corporations, the creatures of State legislation, who make the more profit the more they issue, will infallibly cause the mixed currency to exceed the natural volume at which money maintains its normal value. It will strip the nation of coin by depreciating its value and making it cheaper than merchandise to the exporter, and thus control the general imports and exports of merchandise in spite of the government. It will determine whether money shall be imported or exported; whether commerce shall be active or depressed; whether men shall pay their debts or be plunged into insolvency; and defeat the very purposes of society and government by impairing the obligation of contracts, rendering property insecure, and individuals poor and wretched. It becomes, in spite of the indisputable constitutional powers of Congress, the disturber of commerce and of the value of money by destroying all regulation, obstructing the operation of the natural laws of trade, expelling capital in pure loss, and crippling the power of the government to provide for the common defence and general welfare.

But the constitutional powers here rightly claimed by Secretary Chase have no necessary connection with, or relation to, banking; they grant no authority to the national government to enter into the banking business, or to authorize individuals to enter into it; nor do they grant any authority to interfere with banking under State law. They have nothing to do with banking, but everything to do with currency making; because currency making interferes with the regulation of commerce, with the value of money, and with the chief ends of national government. Unquestionably they give to Congress full control of the currency throughout the United States. This is the point to which the attention of Congress should be earnestly directed.

When the obvious distinction between banking and currency making shall be comprehended in Congress there will be an end of the prattle about the interference of the national government with State rights in the matter of banking, for it is not banking that is interfered with in controlling the national currency. No matter how or when the business of creating currency was assumed by banks, it is not banking, but a function of national sovereignty with which the States have no rightful or consti-

tutional concern whatever. There is, therefore, no necessary collision between the State and national governments in reference to it, and Congress has as plain a right to suppress it as to suppress the levying of duties on imports by the State authorities.

Banking is dealing in money and loanable capital. Currency making is producing money, and credits to pass for money, whether inscribed in book account, and circulated by checks, or certified and circulated in bank or government notes. We are not now considering the right or expediency on the part of the government of circulating its debt as currency, which may well be doubted. Every thing belonging to a running cash account is alike currency, embracing, of course, every item debited to the cash account of every trader, bank, banker, or government. Under an exclusively metallic or money currency it is obvious that every such item would be money, or covered dollar for dollar by money on deposit, and circulated in certificates of deposit or in checks.* But the term "deposit," applied to a mere bank credit payable on demand, without money in reserve against it, is, in plain Saxon, a *lie*. The French term "account current," applied to the bank credit, is more honest and more appropriate, although a fiction still so far as it exceeds the money in bank, and is subject to check at sight.

The State governments may very properly authorize corporate banking to any extent they please; but no constitutional power remains with them to authorize the creation of currency in any form whatever; and there is no more reason why bankers should issue fictitious credits, whether in hand-books under the name of "deposit," or in notes, than that an insurance office, or a trust company, or pawnbroker, or any individual trader should do the same thing. Whenever a bank discounts a bill or security that forms the fund out of which it is itself discounted, the transaction is not banking but currency making; and it is a cheat, for there is no such value in existence as such currency pretends to be or to represent. It is simply a fictitious credit, and it makes not a particle of difference in principle or effect whether the credit thus created is circulated in checks, or notes, or in money itself. For instance, suppose A obtains a credit of this character from his bank for $10,000; he has then $10,000 of theoretical "money" more than he had before at the debit of his cash account, and the bank holds so much the more of theoretical "deposit." If he draws the whole sum in specie, the net liabilities of the bank contain the augmentation, its assets and liabilities being reduced alike—and, unless the specie is exported, the volume of national currency also contains the augmentation of $10,000; it will appear probably on deposit in other banks. If this check is answered in bank notes, the effect will be the same; the deposit will appear in other banks; or, if he merely passes his check to another bank, it goes to somebody's credit there as an additional deposit. In any event but that of exporting the coin the national currency is augmented; and if the bank currency be convertible at par, the local value of money is degraded $10,000 by the fictitious deposit, whether it appear in the accounts of banks or in the hands of the people or the government.

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* "The term *money*, with respect to the civilized commercial world, means gold and silver; with respect to any particular nation, it means that nation's current coin." —*Torrens on the Production of Wealth.* London, 1821. Page 305.

Or, if it be convertible at a discount, the net sum that can be obtained for it in gold is the measure of the degradation of the value of money.

This is the whole explanation of the general suspension of money payments in December, 1861. The government had issued $20,000,000 of "greenbacks," and obtained a fictitious credit at the banks for $150,000,000, less the bank discount. No precreated currency, and, consequently, no invested capital was borrowed or loaned for any portion of this in advance of its issue, as in the case of the five-twenty loan negotiated through JAY, COOK & Co., and other private bankers. It was purely a creation of currency, on which those who received it subsequently loaned their capital to the government, not to the banks. To the extent of the bank credit the government loaned the banks as much as the banks loaned the government, which was nothing at all; it was simply an exchange of promises to pay between the negotiating parties. The banks neither borrowed nor loaned any capital or value in this transaction; but the people subsequently loaned their capital to the government, by giving credit to the bank promises, while the banks held the security in government bonds. As to the greenbacks, of course the loan was made directly to the government by those who gave value in exchange for them. In round numbers, $170,000,000 went to the debit of the government Treasurer's cash account in these two transactions, and $150,000,000 was added to the bank "deposits." Is any one so dull as to suppose there was a dime of money or of capital in the country afterwards more than before by reason of these currency operations? Yet there was $170,000,000 more currency than before, to increase prices, check the exports, and stimulate the imports of merchandise; in other words, to depreciate the value of money, make it cheaper than merchandise, and compel its shipment in the place of merchandise. Enough of it had got into general circulation, and taken effect upon general prices, to accomplish this untoward result in December, 1861.

That the banks paid specie for the drafts of Secretary CHASE on this fictitious credit, made no difference to them or to him—added nothing to and deducted nothing from their debt currency, because it reduced their assets and liabilities alike, leaving their demand liabilities in excess of their specie reserves precisely the same as if they had answered his checks in bank notes, or in checks on other banks. Nor did it make the slightest difference in the volume of national currency, which, being inflated by the "greenbacks" and bank credit above the normal proportion of money to capital, could not maintain its convertibility and remain in the country. The foreign exchanges necessarily became adverse; the excess of currency was demanded in money for shipment, which the banks could not pay, and they broke, as every one who thoroughly understood the transaction knew they would when they took the loan upon that false principle.

It is, therefore, futile for Congress to legislate against bank notes; they must repress the fictitious credit, which is the prime evil, or original sin; the bank note being, like the check, a mere emanation from the so-called "deposit," and an instrument of its circulation.

There is a self delusion among bank officers in relation to this matter; they fancy that they discount on their deposits and circulation in all cases. This is never true when the deposits or circulation and the loan are increased by the same operation. It is true only when one person

deposits currency and another borrows it; then the discount is made on deposits of currency after the manner of the Savings' Banks: and whatever unconstitutional power may have been exercised, whatever mischief may have been done by creating currency before, this transaction does no additional harm, because it does not increase the volume or depreciate the value of the currency. It adds nothing to pre-existing prices; it is then *banking*, not currency making; it is dealing in loanable capital, the capital having been loaned upon the pre-created currency of banks or government, or invested in coin at the price formed by the mixed currency of debt and money, and transferred thereby to and from the bank. Then the bill is not the fund out of which it is itself discounted, and the business is like that of the ROTHSCHILD'S, or BARING'S, or BROWN'S, or PEABODY, or other legitimate bankers, in which immense estates have been accumulated, without injury to the currency or capital of any nation, or of any body. Corporate banking must be confined to this legitimate business to be honest in principle or useful to the community, and, thus conducted, it would be found in the long run, and on the average, more profitable to its proprietors than the present system of currency making, which is continually crippled in its loans by its abnormal demand liabilities, and by insolvency of its own making.

Capital may be transferred from one owner to another through debt perfectly well, without money; but this does not make capital of the debt. Debt may be organized into currency by government or the banks, and serve as a common medium of exchange, but this does not make it money, nor supply the missing capital of which it occupies the place; because it lacks the power of payment—the element of value and wealth. You only change your debtor in accepting for an individual obligation the obligation of the government or a bank, and are as much unpaid as you were before. In either case you lend your capital on an obligation, which is a very different thing from being in possession of money that you own and no one owes. A debt currency possesses only the power to borrow capital, less the wealth in money it displaces, and individuals and the nation are so much the poorer for its presence; there is so much the less capital in the country for individual and for general use in production or trade, consumption or enjoyment—so much the less means for prosecuting war or the arts of peace.

One thousand bushels of wheat may be sold on credit at one dollar per bushel five times over, and produce five thousand dollars of promisory notes, all of which may be discounted in bank and converted into so-called "deposits," amounting in round numbers to five thousand dollars more. This will make ten thousand dollars of debt erected upon one thousand dollars of value, but in all this debt there is not a dime of capital; the capital being in the wheat and no where else. In the schedule of national wealth there would be found in all these figures but one thousand dollars of capital or value; the ten thousand dollars of debt would be no where. Bankers thus run in debt by making a discount, and then fancy that debt to be money or capital in a "deposit," on which they can discount again. It is to be regretted that our language furnishes only a cant word to express the nature of such transactions, namely, *kiting*—simply an exchange of memorandums of immature contracts—paper statements of contracts unfulfilled.

But the spurious currency thus created, creates price as if it were

money; it creates price without value. As it furnishes no value to export in exchange for an equivalent value in the imports, the value necessarily exported in money to make room for it in the currency is sent abroad in pure loss; it is an exhaustion of so much pre-created capital, leaving only paper memorandums of debt in its place. Whereas, if the increase of currency were in money, whether mined or imported, it would furnish a value to export in exchange for an equivalent value in the imports, and instead of being a loss it would be a gain of national wealth; precisely like an increase of wheat or corn or beef or any other commodity the excess of which is exported in exchange for other capital that is in less supply and greater demand, and, therefore, of higher value.

It is the difference of international value alone which determines whether money shall be exported or imported. California exports money because it is cheap from an excess of supply, precisely as Illinois exports wheat; it continually exceeds the natural volume of currency required by her circulating capital; and California grows rich by producing and exporting money, as Illinois grows rich by producing and exporting wheat, and exchanging it for other capital more needed, and consequently of higher local value. The so-called "balance of trade" must be always against California and Australia while they produce money in excess of the equivalent value required by their capital for its circulating medium, and their general prices must be always high enough to attract imports to dispose of their surplus money. By the same rule the "balance of trade" in wheat is against Illinois, and by the same rule the "balance of trade" in money is against any state or nation while the volume of its currency is convertible at par, or at a discount, in excess of the normal money measure, in spite of tariffs, or prohibitory laws of every description. A tariff, such as Congress has just enacted, raising the rate of duties fifty per cent, will check the exports and imports of merchandise alike; it will simply cripple commerce, leaving the export demand for gold precisely as before, depending upon the volume of currency convertible in relation to our circulating capital. It is the simplest rule in the world that sellers must be buyers to the same extent. If the imports exceed the exports in value, the balance is obviously profit. If, on the other hand, the exports exceed the imports, the balance is loss, gold and silver being included either way. Just so far as we cease to be buyers we must cease to be producers and sellers, for men will not produce what they can neither sell nor use; and just so far we limit our capital and cheapen money.

It follows from these considerations that the difference to the wealth of the nation between producing a currency of money and a currency of debt is double the convertible amount of the debt currency, like the difference to a merchant between making or losing one thousand dollars, which is two thousand dollars in his stock account. ADAM SMITH'S theory of the economy of the precious metals by the use of a currency of debt in their stead, which is adopted by nearly every European economist, including JOHN STUART MILL, is the most remarkable and the most mischievous heresy that ever found an advocate in any science.

The fallacy consists in the supposition that the normal value of the gold and silver displaced by the debt currency, or "paper money," is returned in the imports; whereas, they are exported only by reason of the abnormal pre-depreciation of their value in the paper increase and adulteration of the currency. The value returned, therefore, is not the natural value

like that of money, from its natural increase, but the degraded value produced or caused by the spurious currency,—the returns being in price and not in value. The practical effect is to raise the price of imports but not of exports. We cannot, with our spurious currency, make a price for other nations to pay, except for commodities of which we have virtually the monopoly of production; and, with regard to them, every unnatural rise of price is a damage to ourselves, because it limits consumption and accordingly production.

Wealth consists of value, not of price—of utilities and quantities at low prices, not of scarcity at high prices. The lower the prices by the increase of supplies the greater is the national wealth. Temporarily an increase of currency raises the price of exportable proudcts and causes the export of gold in their place; but when their supply permanently exceeds the quantity required for home consumption their price must fall to meet the demand and price of foreign markets; and then the price of imports rises still higher to absorb the fictitious currency and price that is no longer employed bp the exportable commodities held above the shipping price. As our exports fall in price, unless by reason of an increase of quantity, the imports must rise to fill up the measure of the currency.

Every merchant is familiar with the manner in which the holders of flour, grain and provisions frequently keep their commodities above the shipping price by obtaining funds through discounts at bank. These discounts cost the owners of the commodities interest for the benefit of bank stockholders, while they create the currency, with its false price that stops the sale of the commodities, turning the foreign exchanges against the country, and the export demand upon gold in pure loss.

At this moment—May, 1864—our cheap currency is stimulating imports in immense quantities at enormous *real* prices in gold value, while we hold a large excess of grain, provisions and other exportable commodities unsold, and are shipping gold at the rate of one to four millions of dollars per week. It is all being paid away in the prices created by the fictitious currency for the benefit of foreign producers. It will be observed that this money goes directly into the hands of the producers of our imports to raise their prices against ourselves, while the effect it has upon our exports beyond our own borders is inappreciable. The nation might as well plunge so much money and capital into the middle of the Atlantic ocean.

C. H. C.

OFFICIAL STATEMENT OF THE PUBLIC DEBT OF THE UNITED STATES, JUNE 14th, 1864.

DEBT BEARING INTEREST IN COIN.

Rate of Interest.	Character of Issue.	Authorizing Acts.	Amount Outstanding.		After what Date Reimbursable.	Interest.	When Payable.
6 per cent..	Bonds	January 28, 1847..	.....	$9,415,250 00	January 1, 1868....	$564,915 00	January & July.
6 per cent..	Bonds	March 31, 1848....	.....	8,908,341 80	July 1, 1868.....	534,500 50	January & July.
5 per cent..	Bonds	June 14, 1858.....	.....	20,000,000 00	January 1, 1874....	1,000,000 00	January & July.
5 per cent..	Bonds	June 22, 1860,.....	.....	7,022,000 00	January 1, 1871....	351,000 00	January & July.
6 per cent..	Bonds	February 8, 1861..	.....	18,415,000 00	January 1, 1881....	1,104,900 00	January & July.
6 per cent..	Bonds	July 17 & Aug. 17,'61	.....	50,000,000 00	June 30, 1881.....	3,000,000 00	January & July.
6 per cent..	Bonds ex. for 7 3-10	July 17 & Aug. 17,'61	.....	21,421,700 00	June 30, 1881.....	1,285,302 00	January & July.
6 per cent..	Bonds, 5-20's.....	February 25, 1862.	.....	510,756,900 00	May 1, 1882.....	30,645,414 00	May and Nov.
5 per cent..	Bonds, 10-40's.....	March 3, 1864.....	.....	70,239,250 00	March 1, 1904.....	3,511,962 50	March and Sept.
5 per cent..	Bonds, Texas ind'ty	September 9, 1850.	.....	2,169,000 00	January 1, 1865....	108,450 00	January & July.
6 per cent..	Bonds, Oregon War	March 2, 1861.....	.....	1,016,000 00	July 1, 1881.....	60,960 00	January & July.
7 3-10 p. ct.	Notes, three years..	July 17, 1864.....	.....	118,577,650 00	Aug. 19 & Oct. 1, '64	8,656,168 45	Aug. 19 & Oct. 1, [1864.
	Aggregate of debt bearing Coin Interest,.....			$837,941,091 80	.....	$50,823,672 45	

DEBT BEARING INTEREST IN LAWFUL MONEY.

4 per cent..	Temporary Loan..	July 11, 1862.....	.....	665,420 15	10 d'ys not. af. 30 dys	26,616 80	
5 per cent..	Temporary Loan..	July 11, 1862.....	.....	17,158,903 86	10 d'ys not. af. 30 dys	857,945 19	
6 per cent..	Temporary Loan..	July 11, 1862.....	.....	37,774,178 57	10 d'ys not. af. 30 dys	2,266,450 71	
6 per cent..	Certificates of ind't.	March 1, 1862.....	.....	151,993,000 00	One year from date.	9,119,580 00	1 yr. from date.
5 per cent..	One Year Notes...	March 3, 1863.....	.....	44,520,000 00	.....	2,226,000 00	1 yr. from date.
5 per cent..	Two Years Notes..	March 3, 1863.....	150,000,000 00	16,480,000 00	.....	824,000 00	2 yrs. from date.
5 per cent..	2 Y. N., with Coup'ns	Ma.3,'63, Whole issue.		.....	December 1, 1865..		
		Less withdrawn & destr'y'd or ready to be destroyed..	38,890,700 00				
				111,109,300 00	.....	5,555,465 00	June and Dec.
	Aggregate of debt bearing Lawful Money Interest,.....			$379,700,802 58	Aggregate lawful money interest...	$20,876,057 70	

DEBT ON WHICH INTEREST HAS CEASED.

Rate of Interest.	Character of said Issue.	Authorizing Acts.	Amount Outstanding.	
No interest.	Bonds	April 15, 1842	.....	$208,808 45
No interest.	Treasury Notes....	Acts prior to 1857.	.....	104,511 64
No interest.	Treasury Notes....	December 23, 1857,	.....	9,900 00
No interest.	Treasury Notes....	December 17, 1860,	.....	600 00
No interest.	Treasury Notes....	March 2, 1861.....	.....	47,150 00
No interest.	Temp'ry Loan Coin.	July 11, 1862.....	.....	4,200 00
Aggregate of debt on which interest has ceased,.....				$370,170 09

DEBT BEARING NO INTEREST.

No interest.	United States Notes	July 17, Aug. 5, '61, and Feb. 12, 1862,	60,000,000 00	
		Less am't withdra'n	59,166,212 00	
		Am't outstanding,	833,788 00	
No interest.	United States Notes	Feb. 25, July 11, '62, and July 17, 1863	399,166,212 00	
				400,000,000 00
No interest.	United States Notes	Issu'd in redemption of Tempor'y Loan	49,300,302 00	
		Less am't withdra'n	17,258,872 00	
				32,041,330 00
No interest.	Fractional Currency	July 17, 1862.....	15,406,156 00	
No interest.	Fractional Currency	March 3, 1863.....	5,625,792 85	
				21,031,948 85
		Due for drafts on bal's of Disbur'g Officers unpaid requisitions		453,073,278 85
				2,433,825 56
				45,876,000 00
Aggregate of debt not bearing interest,.....				$501,383,104 41

RECAPITULATION.

	Amount Outstanding.	Interest.
Debt bearing interest in Coin.....	$837,941,091 80	$50,823,672 45
Debt bearing interest in lawful money	379,700,802 58	20,876,057 70
Debt on which interest has ceased.....	370,170 09	.....
Debt bearing no interest.....	501,383,104 41	.....
Total....	$1,719,395,168 88	$71,699,730 15

The foregoing is a correct statement of the Public Debt as appears from the Books, Treasurer's Returns and Requisitions in the Department, on the 14th June, 1864.

S. P. CHASE,
Secretary of the Treasury.

COMMERCIAL CHRONICLE AND REVIEW.

EXPENSES OF THE GOVERNMENT FOR THE FIRST THREE QUARTERS OF THE YEAR—FIVE PER CENT LOAN NOT SUCCESSFUL—GOVERNMENT PRESSED FOR MONEY—AMOUNT IN THE TREASURY MAY 1 AND JUNE 1—CERTIFICATES OF DEPOSIT—INTEREST RAISED TO SIX PER CENT.—THE SIX PER CENT LOAN—LOAN BY THE BANKS—THE GOLD BILL, MEETING OF BANKERS—OPINION OF SOLICITOR—RATES OF EXCHANGE—COIN IN U. S. TREASURY—PRICE OF U. S. PAPER—SPECIE AND PRICE OF GOLD.

THE expenses of the government, which have been on a very large scale, are still on the increase, and require larger revenues from loans since the operation of the taxes devised by Congress are prospective. The official statements of the revenue and expenditure, the first three quarter of the fiscal year, 1864, are as follows:

U. S. REVENUE AND EXPENSES THREE QUARTERS OF 1864.

	Sept. 30.	Dec. 31.	March 31.	Total 3 qrs.
Customs	$22,562,018	$23,411,521	$27,439,654	$73 413,193
Lands	136,182	170,503	131,883	438,568
Tax		14,035	397,167	411,202
Tax, Internal	17,599,713	27,262,631	27,685.212	72,547,556
Miscellaneous	641,542	1,912,529	12,527,351	15,081,422
Total Regular	$40,939,445	$52,571,219	$68,181,267	$161,891,941
U. S. Notes	15,452,900	49,999,730	4,766,260	70,217,990
U. S. Fractions		598,750	3,057,263	3,656,013
Five-Twenties	84,639,628	161,480,438	75,400,006	321,520,072
Twenty Year 6's	241,500	479,599	1,594,676	2,315,775
5 per cent. leg. ten	13,000,000	36,500,000	92,495,893	141,995,893
5 per cent 1 year			27,400,000	27,400,000
1 year Certificates	14,865,000	32,161,000	56,649,000	102,675,000
10 day Deposits	32,690,014	14,758,923	29,696,784	77,145,721
Total loans	$160,888,142	$295,078,540	$291,059,882	$746,926,464
Total Receipts	201,827,587	347,649,759	359,241,149	908,818,405
Expenses.				
Civil, etc	$7,216,939	$6,284,576	$7,608,397	$21,110,012
Pensions, etc	1,711,272	1,648,203	2,701,404	6,060,879
War	144,887,474	163,366,855	193,477,741	501,232,070
Navy	18,511,619	23,982,891	17,731,437	60,225,947
Interest	4,288,628	17,349,958	9,287,116	30,920,702
Total Regular	$176,110,962	$212,632,483	$230,806,095	$619,549,610
1 Year Certificates	12,345,804	56,881,437	61,818,000	131,045,241
10 day Deposits	27,203,017	82,547,267	21,934,306	131,684,590
7-30 Bonds	6,000		681,590	687,590
Gold notes	1,258,500	967,742	392,095	2,618,337
Treasury notes	442,429	2,286,804	13,925,969	16,655,202
Fractional	1,299,600	1,927,546	1,012,908	4,244,054
Old debt	65,300	17,500	3,000	85,800
Loans paid	$42,620,621	$144,627,598	$99,137,777	$287,016,814
Total expense	218,731,583	357,260,081	329,943,872	906,566,424

The gross amount of money raised for three quarters is over nine hundred millions or at the rate of $1,200,000,000 a year, or $4,000,000 every secular day. Of the money raised in the last quarter more than one half was in cur-

rency legal tender, the issue of which was accompanied by a considerable rise in gold. On the strength of this redundancy of the currency and consequent cheapness of money the Secretary attempted to negotiate a five per cent. loan which met with no adequate success, accompanied as it unfortunately was by efforts to disturb the market by selling gold and exchange. The Treasury therefore fell largely in arrears, and when the army pay fell due, May 1, was much pressed for money. The funds in the Treasury May 1 and June 1 were as follows:

PAPER MONEY SUBJECT TO THE DRAFTS OF THE TREASURY.

	May 1.	June 1.
New York	$12,880,382 96	$3,462,351 82
Boston	988,001 79	138,524 95
San Francisco	2,413,577 36	4,444,618 67
Baltimore	453,068 50	.....
Denver	4,670 70	2,803 96
Buffalo	....	150,093 78
Cincinnati	....	1,838,620 66
Louisville	....	1,216,335 02
Pittsburgh	274,352 46	43,378 27
Chicago	....	484,633 88
Detroit	324,331 41	292,649 07
Falls St. Croix	781 83	3,323 26
Omaha	4,903 21	5,888 52
Olympia	15,570 66	14,718 45
Oregon	36,662 65	40,663 57
Santa Fe	59,881 78	60,192 01
St. Paul's	37,276 86	29,673 24
National Banks	26,362,636 13	12,636,016 18
Suspended	13,200 61	13,200 64
Total	$44,286,378 01	$24,922,730 02

This shows all the funds at the disposal of the Treasury at the times indicated. The amount with the Treasurer in New York was reduced from $12,880,382.96 to $3,462,351 82 under the severe pressure that the department experienced for money during the month of May. It will be observed that the amount to the credit of the Treasury at the Assistant Treasury in this city, June 1, was $3,462,351 82, but the amount on hand reported that date was $21,331,419, a sum that gives a very erroneous impression. This was made up as follows:

Balance as above	$3,462,351 82
To credit disbursing officers	15,068,655 00
To credit interest fund	2,939,773 00
Total	$21,470,779 82

Thus, out of the whole amount, only $3,462,351 82 was available. The amount with the national banks held decreased from $26,362,636 to $12,636,016, being a decrease of $13,720,620. We have, then, the fact that the Treasury funds in this city were drawn down during the month of May as follows:

From Treasury	$9,418,031
From National Banks	13,720,620
Total	$23,138,651

This money was drawn in greenbacks and national notes, to send to the army to meet the May arrears of pay.

The five per cent loan continued to drag, and as the 1st of June drew near it

became necessary to resort to some new means of raising money. This resulted in a determination to raise the rate of interest on the deposits and to issue a six per cent loan in addition to the five per cent loan.

The certificates of deposits at ten days' notice had ceased to attract much money. The three last quarterly returns indicate results as follows:

FIVE PER CENT. DEPOSITS.

	Quarter ending Sep. 30.	Quarter ending Dec. 31.	Quarter ending March. 31.
Received.....	$32,690,042	$14,758,923	$29,696,784
Paid	27,203,017	82,547,267	21,934,366
Excess received			$7,742,418

There had been less than $8,000,000 received in the last quarter of the year, the means of the banks and of most individuals being then locked up in the five per cent two year legal tenders, of which $115,000,000 were outstanding, and which it was necessary to hold until June 1 in order to get the interest. Many of the banks would have turned them into the Treasury for depositor's certificates, payable principal and interest in ten days, if there had been any assurance that they should get back legal tenders and not be paid in national bank notes that would not be available for the payment of their own debts. In fault of this assurance they held the notes. Towards the close of May it became necessary to adopt a new policy. The five per cent. loan did not sell; the arrears of debt were largely accumulating, and the price of gold continued to rise in a manner to make further issues of legal tenders imprudent. The following measures were then directed by telegram to the Assistant Treasury:

1. The rate of interest on the certificates of deposit or "temporary loan" is raised from 5 to 6 per cent.
2. The interest coupons due July 1 in gold were directed to be paid off at once.
3. A 6 per cent. loan due 1881 under the law of March, 1863, was announced as about to be offered.
4. "You may contradict, most emphatically, all assertions that the Secretary is increasing any legal tender issues. On the contrary, he is gradually reducing them. All new notes issued are in lieu of old notes in larger amounts withdrawn."
5. Sales of gold were permitted also.

The raising of the rate of interest on deposits had the effect to draw considerable sums into the Treasury, since that rate was higher than that borne by the legal-tender, and more than could readily be obtained in the open market.

Notwithstanding these measures gold continued to rise rapidly, for the reason that the demand for it for export was far greater than the supply. The new loan was offered to the amount of $75,000,000, bids for which were received until the 15th inst., on which day they were opened. The bonds bear an annual interest of six per cent, payable semi-annually, in coin, on the first day of July and January, and are redeemable after the 30th of June, 1881, which allows them seventeen years to run. The denominations of the bonds are $50, $100, $500, and $1,000, and registered bonds of $5,000 and $10,000, also, if required. The bids were payable in instalments, one-third down, one-third June 21st, and the balance July 1.

Pending the negotiation of this loan, the Secretary being very much pressed for money, requested a loan of $50,000,000 from the banks. This the institutions were, apparently, very willing to make, but hesitated in view of the dis-

turbance in the money market which attended the payments of the loan last year, in consequence of the want of facility at the Treasury. Under these circumstances the Bank Committee sent the following letter to the Secretary of the Treasury:

New York Clearing House, Saturday, June 4th, 1864.

HON. L. P. CHASE,
Secretary of the Treasury.

DEAR SIR,

On behalf of the Loan Committee of the Associated Banks of this City, I beg leave to submit the following inquiries, viz.:

1*st*. Will such six per cent. Temporary Loan Certificates as may be issued to the Banks of this City, be received from them, without previous notice, at par and accrued interest, in payment of Loans to the Government?

2*nd*. Will such Temporary Loan Certificates as may be issued to the Banks of this City, for deposits of Legal Tender Money of the United States, when presented by them for payment, after ten days' notice, be paid in like Legal Tender Money?

3*rd*. Will you receive for such Temporary Loan Certificates of Deposit, the five per cent. Coupon Legal Tender Notes at par and accrued interest?

4*th*. Will you issue such Temporary Loan Certificates to the Banks, in the form known as Clearing House Certificates, available for the settlement of balances between the Banks, it being understood that only such Temporary Loan Certificates as may be issued for Clearing House purposes shall be receivable in payment of Government demands without the ten days' notice?

I also beg leave to say, that, the Committee have not been authorized by the Associated Banks to make the inquiries above proposed, but they are of opinion, that if assented to by you, a large sum would be immediately deposited in the Treasury by the Banks of this City, which would probably remain for a considerable period. The Committee would recommend such an arrangement to the Banks.

Very respectfully yours.

C. P. LEVERIDGE,
Chairman Loan Committee.

To the above letter the Secretary replied as follows, returning an affirmative answer to all the questions, except that in relation to the payment of the certificates in legal-tender notes:

New York, June 7th, 1864.

DEAR SIR:

In reply to your letter of the 4th inst., I beg leave to say, that I perceive no objection; (1*st*,) to receiving from the Banks six per cent. Temporary Loan Certificates at par, and accrued interest in payment of Loans; or (2*nd*,) to receiving for such Temporary Loan Certificates, the five per cent Coupon Legal Tender Notes heretofore issued at par and accrued interest; or (3*rd*,) to issuing such Temporary Loan Certificates in the form of Clearing House Certificates, or to receiving such Certificates in payment of Loans without the ten days' notice.

In reply to your enquiry in respect to payment in Legal Tender Notes of Certificates issued upon deposits, of Legal Tender Notes, I can only say that no distinction is made in receipts or payment by the Government between Legal Tender Notes and National Bank Notes; but the Assistant Treasurer will always be happy to accommodate the holders of Certificates by payments in such notes as may be preferred, when the public interests allow it.

Yours very truly,
Signed, S. P. CHASE.

C. P. LEVERICH, Esq.,
Chairman Loan Committee.

The Banks not being willing to make the loan unless it was also agreed on behalf of the Treasury to pay the certificates in legal-tender notes, the Secretary finally consented to it, and sent the following instructions to Mr. CISCO:

Treasury Department, June 9th, 1864.

SIR:

You are hereby authorized to issue Temporary Loan Certificates for deposits of

two years five per cent. Coupon Treasury Notes, allowing accrued interest; and to receive such Temporary Loan Certificates in payment of Loans at par and accrued interest.

When such Loan Certificates are issued to any of the Associated Banks you will, if desired, issue them in the form of Clearing House Certificates; and will require no previous notice when offered in payment of Loans to the United States.

Payment of Clearing House Certificates, not offered in payment of Loans, will be made in Legal Tender Notes or Notes of National Banks redeemable in New York.

Signed, S. P. Chase,
Secretary of the Treasury.

John J. Cisco, Assistant Treasurer, New York.

Thus the legal-tender notes were made available, principal and interest, for the loans, and the deposit certificates were made payable in legal-tenders or in the notes of the National Banks, redeemable in New York, which was the same thing, as they must be redeemed in legal-tenders. This arrangement, was undoubtedly a good one, both for the banks and the government since the former would be compelled to pay their depositors the 5 per cent legal tenders, if they took the loan, and as these notes are only a tender for their principal, the banks would lose the accrued interest. By depositing them now, at par and interest, they secured the latter to date, earned 6 per cent on the certificate until the loan is awarded, and then hand the certificate at par and interest over to their depositors who may have subscribed, to pay in for their subscription.

The bids for the new loan were opened on the 15th, and they ranged from 98½ to 108. the average being about 104.

The average prices of this stock greatly disappointed the Treasury. A seventeen year six per cent stock should bring 112½ to be equal to a five per cent stock at par. Hence, when the bids only reached an average of 104, the prospect became very gloomy for those who had ventured upon the five per cent stock. The bids below 104 were rejected, and the whole amount bid may be analysed as follows:

Bids by Treasury Agents at 4 per cent	$15,220,000
" " " 4½ "	1,000,000
Total, immediate Agents	$16,220,000
Outside Bids, 104½ a 110	24,780,000
Total Bids accepted	$41,000,000
Bids par, 3½ rejected	29,000,000
Total Bids	$70,000,000

The rejection of the bids under 104 was regarded as a very unwise measure, for the reason that the Treasury is, and must continue to be, a large borrower, and that the rate of money must necessarily fix itself in the open market. It cannot be determined by the operations of the Treasury. This had indeed been done, heretofore, by means of the emission of paper money, which caused a nominal decrease in the rate of interest for paper, but an actual increase as compared with the value of capital. The new loan was deemed to be the inauguration of a new or reverse policy, by which the circulation was to be reduced and paper values diminished; on this ground, with the known fact that an immense amount of money is still to be borrowed, by numerous loans, it is, apparently a most hazardous experiment to reject offers made in open market.

Through all these movements of the Treasury money continued very abundant,

after the payment of the June interest on the five per cent legal-tender notes, which interest amounted to about $3,000,000. There was very little demand for money in the open market, beyond what arose from the contractors, and other dealers with the government for discount. The stock market remained very quiet, and required little money for its transactions. The general course of business has been for cash, and the progress of the Spring trade, by turning goods into money, tends to increase the abundance. The rates of the government stocks and the price of gold were as follows:

PRICES UNITED STATES PAPER.

	6's, 1881. Reg.	6's, 1881. Coup.	5's, 1874.	7 3-10, 3 years.	1 year certif. Old.	1 year certif. New.	Gold.
January 2..	104⅛	105⅛	96	106⅛	101⅛	97⅛	151¼ a 151⅝
" 9..	104⅛	105⅛	96	166⅛	102	97⅛	152 a 152⅛
" 16..	104	105⅛	96	106⅛	102⅛	97⅛	155 a 155⅛
" 23..	106	107	97	107	103	97	156 a 158
" 30..	106⅛	106	100	107⅛	102⅛	97⅛	156⅛ a 156⅝
February 6..	107⅛	107⅛	100	108	102⅝	98⅛	159⅛ a 159⅝
" 13..	109⅛	109⅝	100	109⅛	103	98⅛	159¼ a 159⅛
" 20..	111⅛	110	100	111	103	99⅛	159⅝ a 161
" 27..	111⅛	110⅛	100	111	103	99⅛	159⅝ a 161
March 5..	111⅛	111	100	111	103⅛	99⅛	161¼ a 161⅛
" 12..	112	112	100	110⅛	103	99⅛	162¼ a 162⅝
" 19..	112	112⅛	100	110⅛	103	99⅛	162 a 162⅛
" 26..	112	112⅛	100	111⅛	103	99⅛	169⅝ a 170
April 2..	111	110	100	111	...	99⅛	166⅝ a 167⅛
" 9..	112	112	102	111⅛	...	99⅛	169⅛ a 170
" 16..	107⅛	112⅛	102	112	...	99	173 a 189
" 23..	105⅛	108	109	109	...	97	174⅛ a 179
" 30..	114	114	102	111	...	98⅛	179⅛ a 179⅝
May 7..	113	113	102	109⅛	...	98⅛	173⅝ a 173⅞
" 14..	114	114⅛	102	111	...	98⅛	172⅛ a 172⅛
" 21..	114	114	102	111	...	98⅛	183 a 183⅛
" 28..	114	114	102	111	...	98⅛	186 a 186⅛
June 4..	109	113⅛	102	109⅝	...	98	190⅝ a 191
" 11..	108	113	102	108⅛	...	97⅛	198⅛ a 198⅝
" 18..	107	112	102	107	...	97	195⅛ a 196

The fall in the stock market at a time when gold was a rapidly rising value, produced an actual decline of about two per cent in the value of the stocks upon the market as valued in gold.

The operations of general business continued very active, and prices of most commodities rose rapidly on account of the large circulation of paper money, and the operation of new tariff, which, with the rise in gold, greatly enhanced the cost of all imported goods. Domestic manufactures also have been stimulated to an extraordinary extent by the rapid rise in the price of raw cotton, which advanced from 81 cents, May 10, to $1.50 June 18. This enormous rise carried up the prices of all raw material and textile fabrics. The disposition to buy goods was strong and the imports continued to be large, involving active remittances, which were not well supplied by corresponding exports of produce. This aided the demand for gold, of which the movements was as follows:

SPECIE AND PRICE OF GOLD.

	1862. Received.	1862. Exported.	1863. Received.	1863. Exported.	Gold in bank.	Prem. on gold.
Jan. 2	.....	681,448	254,239	590,282	25,161,935	51¼ a 52
9	1,277,788	726,746	.....	1,216,204	25,122,002	51⅝ a 52
16	.....	1,380,247	279,801	1,985,057	24,884,264	52⅛ a 56⅛

	23	678,341	780,817	365,608	1,000,000	24,631,204	56 a 58
	30	.....	1,331,027	324,864	668,747	24,203,632	56½ a ...
Feb.	6	301,860	1,277,000	.....	662,616	24,070,191	½9½ a ...
	13	359,987	1,152,846	363,198	1,219,808	23,521,453	95 a ...
	20	.....	520,017	.....	325,632	22,523,918	59 a ...
	27	285,394	1,377,016	407,057	531,700	22,301,687	165 a 61
March	5	1,243,551	733,643	512,358	629,803	21,220,653	61½ a 62
	12	.....	3,540,550	.....	465,920	20,750,495	62 a 69
	19	249,514	1,201,907	231,804	83,881	21,059,512	62 a 62½
	26	159,105	1,050,156	375,101	273,900	20,425,504	69½ a 70½
Apr.	2	250,778	473,385	273,429	168,912	19,527,665	68½ a 68½
	9	.....	607,059	302,344	345,471	20,924,287	67 a 71
	16	217,602	155,437	269,522	1,002,884	21,687,670	71 a 89
	23	256,604	629,855	.....	3,226,000	24,868,203	72½ a 79
	30		294,998	282,376	1,271,836	24,087,343	77 a 85
May	7	205,057	451,827	282,276	1,174,241	23,082,028	71 a 81
	14		661,996		2,452,668	22,635,155	61½ a 76½
	12	258,570	488,745	383,428	1,884,195	22,091,691	73 a 85
	28	.....	279,994	.....	580,320	21,978,180	87½ a 92½
June	4	318,066	411,483	271,801	1,425,588	22,461,604	87 a 90½
	11	.....	235,364	.....	1,548,600	24,041,704	92 a 99½
	18	.....	522,147	291,208	1,886,663	22,916,291	94 a 98½
Total.....		$6,901,774	$18,904,954	$6,319,612	$27,137,651		

The demand for bills was good, and the chief dependance was upon gold, but the market for both was much affected by the threatened passage of the gold bill that was introduced some months since into the Senate by Mr. SHERMAN, and of which we made a notice in the May number. The bill finally passed, and was signed June 20. [It will be found in another column.] Its features are of a most extraordinary character; it forbids sales of exchange for specie at more than ten days time, at any place except the individual office of the banker, and empowers such restrictions as compelled the leading bankers, on its passage, to suspend business, since they could not tell in how far they might be exposed, not simply to the danger of infringing on the law, but to the complaints of the spies, pimps, and informers, called into being by the enactment which bestow upon them half the fine, and who could prefer charges on the slightest pretext, for the purpose of levying black mail. The law also, by limiting the time within which a contract for exchange might run, cut off a large amount of ordinary shipping business done in New York for western account, and which, in the usual course of business, required at least fifteen days, to perfect arrangements between Chicago and New York. These difficulties, of course, caused a rise in both exchange and gold.

A large and earnest meeting of bankers and merchants was held at the rooms of the Chamber of Commerce, for the purpose of securing the repeal of the act if possible. The committee appointed at the meeting went to Washington, and the Treasurer put such construction on this gold bill as to relieve it of many of its bad features. The bill had, as we have stated, caused a perfect dead lock in the foreign exchange business, on account of the provisions above referred to. It is well known that a very large proportion of the ordinary business payments of the people of this country, and of every civilized commercial community, are, in modern times, settled by certified checks, and similar financial expedients. To forbid the use of these certified checks, in any important department of legitimate business would be attended with the most disastrous results, both to the enter-

prise of private individuals, and to the credit of the public Treasury. The construction given to the bill on this point, by the Treasury Department, will be found in the following communication from the Secretary:

Treasury Department, Washington, June 27, 1864.

JOHN J. CISCO, Assistant Treasurer, New York:

I transmit an opinion of the Solicitor of the Treasury upon certain questions under the gold act, *and concur in his opinion.*

S. P. CHASE,
Secretary of the Treasury.

Treasury Department, Solicitor's Office, June 27, 1864.

SIR:

I have the honor to acknowledge the receipt of your letter dated to-day, submitting to me the following questions:

The act to prohibit certain sales of gold and foreign exchange, approved June 17th, 1864, requires payment in full of the agreed price of gold or bullion purchased on the day on which the contract is made in United States notes or national currency, and not otherwise. Can such payment be made by check for the amount of the purchase money in United States or national currency; or can it be made only by manual delivery of the notes or currency by buyer to the seller?

Second—The same act prohibits contracts for the purchase or sale and delivery of foreign except on conditions of immediate payment in full of the agreed price thereof on the day of delivery in United States notes or national currency. Would a payment for such exchange in gold coin of the United States be valid or otherwise?

In reply to the first inquiry, I have to say that I have no doubt that the delivery of a *bona fide* check for the amount of the purchase money, in United States notes or currency, drawn against such notes or currency, actually at the present credit of the drawer, and which if presented immediately would be so paid, is a payment within the meaning of the act. In regard to the second question, my opinion is that a payment for exchange in gold coin of the United States is a legal and valid payment.

I have the honor to be, with high respect,

EDWARD JORDAN, Solicitor of the Treasury.

To Hon. S. P. CHASE, Secretary of the Treasury.

On the strength of this opinion, the bankers who had before refused to engage in any transaction liable to objection under the gold act, ventured cautiously forward, and this aided in quieting the public excitement on this subject. The Solicitor does not say, in terms, that exchange may be sold for a bank check, but this is a plain inference from his opinion. We have never had any doubt that gold may be paid in purchase of anything which may be sold, because it is a legal and constitutional currency, and no law can prohibit the use of it. But we have no question that the framers of the gold bill intended to prohibit the use of gold in mercantile transactions. Such prohibition would be void in the higher courts, and we are glad that the restriction is not to be attempted. The threat of a certain speaker, at the meeting referred to above, of the Chamber of Commerce the other day, made in behalf of the government, that it intended to force all persons in Wall street to use greenbacks for all transactions, and if the present law does not accomplish this, the government would try an act twice as strong, and, if that failed, one three times as strong, it is now seen, was without any authority from Washington. The threat, and indeed the whole tenor of the speech which contained it, fell unpleasantly upon the ears of those who had assembled at the Chamber, and the impression thus made will not soon be eradicated. The gold bill was finally repealed, by a vote of 24 to 13 in the Senate, and 88 to 29 in the House, June 30; the same day Mr. CHASE resigned.

The rates of exchange have been as follows:

RATES OF EXCHANGE.

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 2,.	166 a 166¼	3.38¾ a 3.34¼	62¼ a 63	62¾ a 63¼	55½ a 56	110½ a 111
" 9,.	166¼ a 167¼	3.38¼ a 3.40	62¾ a 63	62¾ a 63½	55¾ a 56½	110½ a 111
" 16,.	169¼ a 170¾	3.30 a 3.32½	64 a 64½	64½ a 64¾	56½ a 57½	112¾ a 113¾
" 23,.	170 a 171	3.31 a 3.33	64½ a 64½	64½ a 65	56¾ a 57	112¾ a 113¾
" 30,	171 a 172	3.32½ a 3.28½	64½ a 64¾	64½ a 65	57½ a 57½	113½ a 114
Feb. 6,	174 a 175	3.26½ a 3.23¾	65½ a 66¾	65½ a 66	58 a 58½	115 a 116
" 13,	173 a 174½	3.27½ a 3.23¾	65 a 65½	65½ a 65½	58½ a 58½	115½ a 116
" 20,	172½ a 174	3 27½ a 3.23¾	65½ a 65¾	65½ a 65¾	58½ a 58½	115½ a 116
" 27,	173½ a 174	2.26½ a 3.22	65½ a 65½	65¾ a 66	58¾ a 58¾	115¾ a 116½
Mar. 5,	174½ a 175¾	3.25 a 3.21½	65¾ a 66½	66 a 66½	58½ a 59	116 a 117
" 12,	177 a 178	3.15 a 3.18¾	66 a 66½	67 a 67½	59 a 59½	117½ a 118
" 19,	176 a 177	3.22½ a 3.18¾	65½ a 66½	66 a 66½	58½ a 59	116 a 117
" 26,	179½ a 182	3.15 a 3.10	67¾ a 68½	68 a 68¾	60½ a 61	120 a 121
April 2,	177½ a 181	3.18¾ a 3.12½	66¾ a 67	67 a 67¾	59½ a 60½	118 a 120
" 9,	184 a 185	3.08 a 3.06½	68½ a 69	68¾ a 69½	61½ a 62	121½ a 122
" 16,	189 a 191	2.97½ a 2.95	70 a 71	70½ a 71½	62½ a 64½	127 a 128
" 23,	190 a 192	3.05½ a 2.95	71½ a 71¾	71½ a 72	62¾ a 63½	124 a 125
" 30,	195 a 198	2.90 a 2.85	73 a 74	73½ a 74½	65 a 66	130 a 131
May 7,	192 a 195	2.96½ a 2.90	72 a 73	72½ a 73½	63½ a 64½	126 a 127
" 14,	192 a 187	2.95 a 3.02	71½ a 70¾	71½ a 71	62½ a 63	124 a 125
" 21,	196 a 198	2.87½ a 2.83½	74 a 75½	73½ a 75	65 a 66	130 a 131
" 28,	201 a 203½	2.81½ a 2.77½	75½ a 76¾	75½ a 76½	67 a 67½	134 a 135
June 4,	218 a 210	2.72½ a 2.68½	78 a 79	77½ a 74½	68½ a 69	135 a 136
" 11,	215 a 218	2.65 a 2.60	79 a 79½	78 a 79	71½ a 72	143 a 144
" 18,	216 a 219	2.64 a 2.58	79½ a 80½	80 a 80½	72 a 73	145 a 145½

The demand for bills became more urgent after the passage of the gold law, notwithstanding more sales of exchange had been made, on the part of the Treasury, against gold shipments to England from San Francisco. In our last number we showed that $5,000,000 had been so shipped in February and March, and official returns of the gold in the federal Treasury were as follows:

COIN IN UNITED STATES TREASURY.

	April 30.	May 31.	Increase.
Washington	$1,544,635 58	$2,604,395 99	$1,059,760 41
New York	8,990,288 66	10,675,139 77	1,684,851 11
Boston	1,230,891 52	1,843,521 61	612,630 09
Philadelphia	690,847 33	848,668 81	157,821 18
St. Louis	7,627 45		
San Francisco	5,653,214 08	7,031,163 55	1,377,949 47
New Orleans	201,926 00	265,784 71	63,858 71
Baltimore	1,077,667 94	1,159,187 27	81,519 33
Buffalo	11,283 21	6,934 38.	
Cincinnati	30,576 91	108,680 31	78,103 48
Louisville	4,084 65	4,084 65	.....
Pittsburgh	5,858 09	5,888 09	.....
Chicago	129,939 52	136,401 77	6,462 25
Detroit	1,526 60	1,571 02	45 42
Omaha	10 00	10 00	.....
Olympia	78 00	78 00	.....
Oregon City	470 00	470 00	.....
St. Paul's	2,915 09	2,915 09	.....
Total	$19,573,379 93	$24,697,839 21	$5,124,459 28

The operation of the new tariff, adding 50 per cent to the duties after May 1, had the effect of causing the withdrawal of a large amount of goods from warehouse, and to draw a corresponding amount of gold into the Treasury. The amount in San Francisco was raised to over $7,000.000, and of this a further amount of $2,000,000 was shipped secretly to London, making $7,000,000 in all to sell bills against.

THE NEW TARIFF.

(OFFICIAL COPY.)

Passed at the First Session of the Thirty-eighth Congress.

[PUBLIC—No. 146.]

AN ACT to increase duties on imports and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That on and after the first day of July, anno domini eighteen hundred and sixty-four, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, there shall be levied, collected, and paid, on the goods, wares, and merchandise, herein enumerated and provided for, imported from foreign countries, the following duties, and rates of duty, that is to say:

First. On teas of all kinds, twenty-five cents per pound.

Second. On all sugar not above number twelve, Dutch standard in color, three cents per pound.

On all sugar above number twelve, and not above number fifteen, Dutch standard in color, three cents and a half per pound.

On all sugar above number fifteen, not stove-dried, and not above number twenty, Dutch standard in color, four cents per pound.

On all refined sugar in form of loaf, lump, crushed, powdered, pulverized, or granulated, and all stove-dried, or other sugar above number twenty, Dutch standard in color, five cents per pound: *Provided*, That the standard by which the color and grades of sugar are to be regulated shall be selected and furnished to the collectors of such ports of entry as may be necessary, by the Secretary of the Treasury, from time to time, and in such manner as he may deem expedient.

On sugar candy, not colored, ten cents per pound. On all other confectionary, not otherwise provided for, made wholly or in part of sugar, and on sugars after being refined, when tinctured, colored, or in any way adulterated, valued at thirty cents per pound or less, fifteen cents per pound. On all confectionary valued above thirty cents per pound, or when sold by the box, package, or otherwise than by the pound, fifty per centum ad valorum.

Third. On molasses from sugar-cane, eight cents per gallon. On syrup of sugar-cane, juice, melado, concentrated melado, or concentrated molasses, two cents and a half per pound: *Provided*, That all syrups of sugar, or sugar-cane, cane-juice, concentrated molasses or concnetrated melado, entered under the name of molasses, or any other name than syrup of sugar, or sugar-cane, cane-juice, concentrated molasses, or concentrated melado, shall be liable to forefeiture to the United States, and the same shall be forfeited.

SEC. 2. *And be it further enacted*, That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, there shall be levied, collected, and paid, on the goods, wares, and merchandise enumerated and provided for in this section, imported from foreign countries, the following duties and rates of duty, that is to say:

First. On brandy, for first proof, two dollars and fifty cents per gallon.

On other spirits, manufactured or distilled from grain or other materials, for first proof, two dollars per gallon.

On cordials, and liquors of all kinds, and arrack, absynthe, kirschenwasser, ratafia, and other similar spirituous beverages, not otherwise provided for, two dollars per gallon.

On bay rum, one dollar and fifty cents per gallon.

On wines of all kinds, valued at not over fifty cents per gallon, twenty cents per gallon, and twenty-five per centum ad valorem; valued at over fifty cents and not over one dollar per gallon, fifty cents per gallon and twenty-five per centum ad valorum; valued at over one dollar per gallon, one dollar per gallon and twenty-five per cent ad valorem: *Provided*, That no champagne, or sparkling wines in bottles, shall pay a less rate of duty than six dollars per dozen bottles, each bottle containing not more than one quart, and more than one pint, or six dollars per two dozen bottles, each bottle containing not more than one pint.

On all spirituous liquors, not otherwise enumerated, one hundred per centum ad valorum: *Provided*, That no lower rate or amount of duty shall be levied, collected, and paid, on brandy, spirits, and other spirituous beverages, than that fixed by law for the description of first proof, but shall be increased in proportion for any greater strength than the strength of first proof; and no brandy, spirits, or other spirituous beverages under first proof, shall pay a less rate of duty than fifty per centum, ad valorem: *Provided, further*, That all imitations of brandy, or spirits, or of wines, imported by any name whatever, shall be subject to the highest rate of duty provided for the genuine article, respectively, intended to be represented, and in no case less than one dollar per gallon: *And provided, further*, That brandies, or other spirituous liquors, may be imported in bottles when the package shall contain not less than one dozen; and all bottles shall pay a separate duty of two cents each, whether containing wines, brandies, or other spirituous liquors, subject to duty as hereinbefore mentioned.

Second. On ale, porter, and beer, in bottles, thirty-five cents per gallon; otherwise than in bottles, twenty cents per gallon.

Third. On cigars of all kinds, valued at fifteen dollars, or less, per thousand, seventy-five cents per pound, and twenty per centum, ad valorum; valued at over fifteen dollars, and not over thirty dollars per thousand, one dollar and twenty-five cents per pound, and thirty per centum, ad valorem; valued at over thirty dollars, and not over forty-five dollars per thousand, two dollars per pound, and fifty per centum, ad valorem; valued at over forty-five dollars per thousand, three dollars per pound, and sixty per centum, ad valorem: *Provided*, That paper cigars, or cigarettes, including wrappers, shall be subject to the same duties imposed on cigars.

On snuff and snuff flour, manufactured of tobacco, ground, dry, or damp, and pickled, scented, or otherwise, of all descriptions, fifty cents per pound.

On tobacco in leaf, unmanufactured, and not stemmed, thirty-five cents per pound.

On tobacco manufactured, of all descriptions, and stemmed tobacco, not otherwise provided for, fifty cents per pound.

SEC. 3. *And be it further enacted*, That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, there shall be levied, collected, and paid, on the goods, wares, and merchandise, herein enumerated and provided for, imported from foreign countries, the following rates of duty, that is to say:

On bar iron, rolled or hammered, comprising flats not less than one inch, or more than six inches wide, nor less than three-eights of an inch, or more than two inches thick; rounds not less than three-fourths of an inch, nor more than two inches in diameter; and squares not less than three-fourths of an inch, nor more than two inches square, one cent per pound. On bar iron, rolled or hammered, comprising flats less than three-eights of an inch, or more than two inches thick, or less than one inch, or more than six inches wide; rounds less than three-fourths of an inch, or more than two inches in diameter; and squares less than three-fourths of an inch, or more than two inches square, one cent and one-half per pound: *Provided*, That all iron in slabs, blooms, loops, or other forms, less finished than iron in bars, and more advanced than pig iron, except castings, shall be rated as iron in bars, and pay a duty accordingly: *And provided, further*, That none of the above iron shall pay a less rate of duty than thirty-five per centum, ad valorem.

On all iron imported in bars, for railroads and inclined planes, made to patterns, and fitted to be laid down on such roads or planes without further manufacture, sixty cents per one hundred pounds. On boiler or other plate iron, not less than three-sixteenths of an inch in thickness, once cent and a half per pound.

On iron wire, bright, coppered, or tinned, drawn and finished, not more than one-fourth of an inch in diameter, not less than number sixteen, wire guage, two dollars per one hundred pounds; and in addition thereto fifteen per centum, ad valorem; over number sixteen, and not over number twenty-five, wire guage, three dollars and fifty cents per one hundred pounds, and in addition thereto, fifteen per centum, ad valorem: *Provided*, That wire covered with cotton, silk, or other material, shall pay five cents per pound in addition to the foregoing rates. On smooth or polished sheet iron, by whatever name designated, three cents per pound. On sheet iron, common or black, not thinner than number twenty, wire guage, one cent and one fourth of one cent per pound; thinner than number twenty, and not thinner than number twenty-five, wire guage, one cent and a half per pound; thinner than number twenty-five, wire guage, one cent and three-fourths of one cent per pound.

On tin plates and iron galvanized or coated with any metal by electric batteries, or otherwise, two cents and a half per pound.

On all band, hoop, and scroll iron, from one half to six inches in width, not thinner than one-eight of an inch, one and one-fourth cent per pound.

On all band, hoop, and scroll iron, from one half to six inches wide, under one-eighth of an inch in thickness, and not thinner than number twenty, wire guage, one and one half cent per pound.

On all band, hoop, and scroll iron, thinner than number twenty, wire guage, one and three-fourths cent per pound.

On slit rods, one cent and one half per pound; and on all other descriptions of rolled or hammered iron, not otherwise provided for, one cent and one-fourth per pound.

On locomotive tire, or parts thereof, three cents per pound.

On mill iron, and mill-cranks of wrought iron, and wrought iron for ships, steam-engines, and locomotives, or parts thereof, weighing, each, twenty-five pounds, or more, two cents per pound.

On anvils, and on iron cables, or cable chains, or parts thereof, two cents and a half per pound.

On chains, trace chains, halter chains, and fence chains, made of wire or rods not less than one-fourth of one-inch in diameter, two cents and a half per pound; less than one-fourth of one inch in diameter, and not under number nine, wire guage, three cents per pound; under number nine, wire guage, thirty-five per centum, ad valorem.

On anchors, or parts thereof, two cents and one-fourth per pound.

On blacksmiths' hammers and sledges, axles, or parts thereof, and malleable iron in castings, not otherwise provided for, two cents and a half per pound.

On wrought iron railroad chairs, and wrought iron nuts and washers, ready punched, two cents per pound.

On bed-screws, and wrought iron hinges, two cents and a half per pound.

On wrought board nails, spikes, rivets, and bolts, two and one half cents per pound.

On cut nails and spikes, one and a half cent per pound.

On horse-shoe nails, five cents per pound

On cut tacks, brads, or sprigs, not exceeding sixteen ounces to the thousand, two and one half cents per thousand; exceeding sixteen ounces to the thousand, three cents per pound.

On steam, gas and water *tubs* [tubes] and flues, of wrought iron, two cents and a half per pound.

On screws, commonly called wood screws, two inches or over in length, eight cents per pound; less than two inches in length, eleven cents per pound.

On screws of any other metal than iron, and all other screws of iron, except wood screws, thirty-five per centum, ad valorem.

On iron, in pigs, nine dollars per ton.

On vessels of cast iron, not otherwise provided for, and on andirons, sadirons, tailors' and hatters' irons, stoves, and stove plates, of cast iron, one and one half cent per pound.

On cast iron steam, gas, and water pipes, one and one half cent per pound.

On cast iron butts and hinges, two and a half cents per pound.

On hollow ware, glazed or tinned, three and one half cents per pound.

On all other castings of iron, not otherwise provided for, thirty per centum, ad valorem.

On all manufactures of iron, not otherwise provided for, thirty-five per centum, ad valorem.

On old scrap iron, eight dollars per ton: *Provided*, That nothing shall be deemed old iron that has not been in actual use, and fit only to be remanufactured.

On steel in ingots, bars, coils, sheets, and steel wire, not less than one-fourth of one-inch in diameter, valued at seven cents per pound, or less, two cents and one-fourth per pound; valued at above seven cents and not above eleven cents per pound, three cents per pound; valued at above eleven cents per pound, three cents and a half per pound, and ten per centum, ad valorem.

On steel wire less than one-fourth of an inch in diameter, and not less than number sixteen, wire guage, two and one half cents per pound, and in addition

thereto twenty per centum, ad valorem; less, or finer than number sixteen, wire guage, three cents per pound, and in addition thereto, twenty per centum, ad valorem.

On steel, in any form, not otherwise provided for, thirty per centum, ad valorem.

On skates, costing twenty cents or less per pair, eight cents per pair; costing over twenty cents per pair, thirty-five per centum, ad valorem.

On cross-cut saws, ten cents per lineal foot.

On mill, pit and drag-saws not over nine inches wide, twelve and a half cents per lineal foot.

On all hand-saws not over twenty-four inches in length, seventy five cents per dozen, and in addition thereto, thirty per centum ad valorem; over twenty-four inches in length, one dollar per dozen, and in addition thereto, thirty per centum, ad valorem.

On all back-saws not over ten inches in length, seventy-five cents per dozen, and in addition thereto, thirty per centum, ad valorem; over ten inches in length, one dollar per dozen, and in addition thereto, thirty per centum, ad valorem.

On files, file blanks, rasps, and floats of all descriptions, not exceeding ten inches in length, ten cents per pound, and in addition thereto, thirty per centum, ad valorem; exceeding ten inches in length, six cents per pound, and in addition thereto, thirty-per centum, ad valorem.

On pen-knives, jack-knives, and pocket-knives of all kinds, fifty per centum, ad valorem.

On needles, for knitting or sewing machines, one dollar per thousand, and in addition thereto, thirty-five per centum ad valorem.

On iron squares, marked on one side, three cents per pound, and in addition thereto, thirty per centum, ad valorem; on all other squares of iron or steel, six cents per pound, and thirty per centum, ad valorem.

On all manufactures of steel, or of which steel shall be a component part, not otherwise provided for, forty-five per centum, ad valorem: *Provided*, That all articles of steel partially manufactured, or of which steel shall be a component part, not otherwise provided for, shall pay the same rate of duty as if wholly manufactured.

On bituminous coal and shale, one dollar and twenty-five cents for a ton of twenty-eight bushels, eighty pounds to the bushel; on all other coal, forty cents per ton of twenty-eight bushels, eighty pounds to the bushel.

On coke and culm of coal, twenty-five per centum, ad valorem.

On lead, in pigs and bars, two cents per pound.

On old scrap lead, fit only to be re-manufactured, one cent and a half per pound.

On lead, in sheets, pipes, or shot, two and three-quarter cents per pound.

On pewter, when old, and fit only to be re-manufactured, two cents per pound.

On lead ore, one and a half cent per pound.

On copper in pigs, bars, or ingots, two and a half cents per pound.

On copper, old, and fit only to be re-manufactured, two cents per pound.

On sheathing copper, in sheets forty-eight inches long, and fourteen inches wide, weighing from fourteen to thirty-four ounces per square foot, three and a half cents per pound.

On copper rods, bolts, nails, spikes, copper bottoms, copper in sheets or plates, called braziers' copper, and other sheets of copper not otherwise provided for, thirty-five per centum, ad valorem.

On zinc, spelter, or tentenegue, manufactured in blocks or pigs, one and a half cent per pound.

On zinc, spelter, or tentenegue, in sheets, two and one quarter cents per pound.

On diamonds, cameos, mosaics, jems, pearls, rubies, and other precious stones, when not set, a duty of ten per centum, ad valorem.

SEC. 4. *And be it further enacted*, That on and after the day and year aforesaid there shall be levied, collected and paid on the importation of the articles hereinafter mentioned the following duties, that is to say: On all wool unmanufactured, and all hair of the alpaca, goat, and other like animals, unmanufactured, the value whereof at the last port or place from whence exported to the United States, exclusive of charges in such ports, shall be twelve cents or less per pound, three cents per pound; exceeding twelve cents, and not exceeding twenty-four cents per pound, six cents per pound; exceeding twenty-four cents per pound, and not exceeding thirty-two cents, ten cents per pound; and, in addition thereto, ten per centum ad valorem; exceeding thirty-two cents per pound, twelve cents per pound, and in addition thereto, ten per centum ad valorem: *Provided*, That any wool of the sheep, or hair of the alpaca, the goat, and other like animals which shall be imported in any other than the ordinary condition, as now and heretofore practiced, or which shall be changed in its character or condition, for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any foreign substance, shall be subject to pay a duty of twelve cents per pound and ten per centum ad valorem, anything in this act to the contrary notwithstanding: *Provided further*, That when wool of different qualities is imported in the same bale, bag or package, and the aggregate value of the contents of the bale, bag or package shall be appraised by the appraisers at a rate exceeding twenty-four cents per pound, it shall be charged with a duty of ten cents per pound and ten per centum ad valorem; and when bales of different qualities are embraced in the same invoice at the same price, whereby the average price shall be lessened more than ten per centum, the value of the whole shall be appraised according to the value of the bale of the best quality; and no bale, bag or package shall be liable to a less rate of duty in consequence of being invoiced with wool of lower value; *and provided further*, that wool which shall be imported scoured shall pay, in lieu of the duties herein provided, three times the amount of such duties.

Second. On sheepskins, raw or manufactured, imported with the wool on, washed or unwashed, shall be subject to a duty of twenty per centum ad valorem; and on flocks, waste, or shoddy, three cents per pound.

SEC. 5. *And be it further enacted*, That on and after the day and year aforesaid there shall be levied, collected and paid on the importation of the articles hereinfter mentioned, the following duties, that is to say:

First. On Wilton, Saxony and Aucusson, Axminster, pattern velvet, Tournay velvet and tapestry velvet carpets and carpeting, Brussels carpets wrought by the Jacquard machine, and all medallion or whole carpets, valued at one dollar and twenty-five cents or under per square yard, seventy cents per square yard; valu-

ed at over one dollar and twenty-five cents per square yard, eighty cents per square yard: *Provided*, That no carpeting, carpets or rugs of the foregoing description shall pay a duty of less than fifty per centum ad valorem. On Brussels and tapestry Brussels carpets and carpetings, printed on the warp or otherwise, fifty cents per square yard. On all treble ingrain, three-ply and worsted chain Venetian carpets and carpeting, forty cents per square yard. On yarn, Venetian and two-ply ingrain carpets and carpeting, thirty-five cents per square yard. On hemp or jute carpeting, six and one-half cents per square yard. On druggets, borings and felt carpets and carpetings, printed, colored or otherwise, twenty-five cents per square yard. On carpets and carpeting of wool, flax or cotton, or parts of either, or other material not otherwise specified, forty per centum ad valorem. *Provided*, That mats, rugs, screens, covers, hassocks, bedsides, and other portions of carpets or carpetings shall be subject to the rate of duty herein imposed on carpets or carpetings of like character or description, and on all other mats, screens, hassocks, and rugs, forty-five per centum ad valorem.

Second. On woolen cloths, woolen shawls, and all manufactures of wool of every description made wholly or in part of wool, not otherwise provided for, twenty four cents per pound, and in addition thereto forty per centum ad valorem. On goods of like description, when valued at over two dollars per square yard, or weighing less than ten ounces per square yard, a duty, in addition to the foregoing rates, of five per centum ad valorem: *Provided*, That goods of like description, composed of worsted, the hair of the alpaca, goat, or other like animals, and weighing over eight ounces to the square yard, shall be subject to pay the same duties and rates of duty herein provided for woolen cloths. On endless belts or felts for paper, and blanketing for printing machines, twenty cents per pound, and in addition thereto thirty-five per centum ad valorem. On flannels, uncolored, valued at thirty cents or less per square yard, twenty-four cents per pound, and thirty per centum ad valorem; valued at above thirty cents per square yard, and on all flannels colored, printed or plaided, not otherwise provided for, and flannels composed in part of cotton, twenty four cents per pound, and thirty-five per centum ad valorem. On flannels composed in part of silk, fifty per centum ad valorem. On hats of wool, twenty-four cents per pound, and in addition thereto thirty-five per centum ad valorem. On woolen and worsted yarn, valued at fifty cents and not over one dollar per pound, twenty cents per pound, and in addition thereto, twenty-five per centum ad valorem; valued at over one dollar per pound, twenty-four cents per pound, and in addition thereto thirty per centum ad valorem. On woolen worsted yarn, valued at less than fifty cents per pound, and not exceeding in fineness number fourteen, sixteen cents per pound, and in addition thereto twenty five per centum ad valorem. On clothing, ready-made, and wearing apparel of every description, composed wholly or in part of wool, made up or manufactured wholly or in part by the tailor, seamstress or manufacturer, except hosiery, twenty-four cents per pound, and in addition therto forty per centum ad valorem. On blankets of all kinds made wholly or in part of wool, valued at not exceeding twenty-eight cents per pound, twelve cents per pound, and in addition thereto twenty per centum ad valorem; valued at above twenty-eight cents and not exceeding forty cents per pound, twenty four cents per pound and twenty-five per centum ad valorem; valued above forty cents per pound, twenty-four cents per pound and thirty per centum

ad valorem. On balmorals, and goods of similar description, or used for like purposes, composed of wool, worsted, or any other material, twenty-four cents per pound, and in addition thereto thirty-five per centum ad valorem.

On womens' and childrens' dress goods, composed wholly or in part of wool, worsted, mohair, alapaca, or goats' hair, gray or uncolored, not exceeding in value the sum of thirty cents per square yard, four cents per square yard, and in addition thereto, twenty-five per centum ad valorem; exceeding in value thirty cents per square yard, six cents per square yard, and in addition thereto, thirty per centum ad valorem.

On all goods of the last mentioned description, if stained, colored or printed, not exceeding in value the sum of thirty cents per square yard, four cents per square yard, and thirty per centum ad valorem; exceeding in value thirty cents per square yard, six cents per square yard, and in addition thereto, thirty-five per centum ad valorem.

On shirts, drawers, hosiery of wool, or of which wool shall be a component material, not otherwise provided for, twenty cents per pound, and in addition thereto, thirty per centum ad valorem.

On bunting, and on all other manufactures of worsted, mohair, alapaca, or goats' hair, or of which worsted, mohair, alapaca, or goats' hair, shall be a component material, not otherwise provided for, fifty per centum ad valorem.

On lastings, mohair cloth, silk, twist, or other manufacture of cloth, woven or made in patterns of such size, shape, and form, or cut in such manner as to be fit for shoes; slippers, boots, bootees, gaiters, and buttons exclusively, not combined with India-rubber, ten per centum ad valorem.

On oil-cloths for floors, stamped, painted, or printed, valued at fifty cents or less per square yard, thirty per centum ad valorem; valued at over fifty cents per square yard, and on all other oil-cloth, except silk oil-cloth, forty per centum ad valorem.

SEC. 6. *And be it further enacted*, That on and after the day and year aforesaid, there shall be levied, collected, and paid, on the importation of the articles hereinafter mentioned, the following duties, that is to say:

First. On cotton, raw or unmanufactured, two cents per pound.

Second. On all manufactures of cotton (except jeans, denims, drillings, bed-tickings, ginghams, plaids, cottonades, pantaloon stuff, and goods of like description,) not bleached, colored, stained, painted, or printed, and not exceeding one hundred threads to the square inch, counting the warp and filling, and exceeding in weight five ounces per square yard, five cents per square yard; if bleached, five cents and a half per squre yard; if colored, stained, painted, or printed, five cents and a half per square yard, and in addition thereto, ten per centum ad valorum. On finer and lighter goods of like description, exceeding one hundred threads and not exceeding two hundred threads to the square inch, counting the warp and filling, unbleached, five cents per square yard; if bleached, five cents and a half per square yard; if colored, stained, painted, or printed, five and a half cents per square yard, and in addition thereto, twenty per centum ad valorem. On goods of like description, exceeding two hundred threads to the square inch, counting the warp and filling, unbleached, five cents per square yard; if bleached, five and a half cents per square yard; if colored, stained, painted, or

printed, five and a half cents per square yard, and in addition thereto, twenty per centum ad valorem.

Third. On all cotton jeans, denims, drillings, bed-tickings, ginghams, plaids, cottonades, pantaloon stuffs, and goods of like description, or for similar use, if unbleached, and not exceeding one hundred threads to the square inch, counting the warp and filling, and exceeding five ounces to the square yard, six cents per square yard; if bleached, six cents and a half per square yard; if colored, stained, painted or printed, six cents and a half per square yard, and in addition thereto, ten per centum ad valorem. On finer or lighter goods of like description, exceeding one hundred threads, and not exceeding two hundred threads to the square inch, counting the warp and filling, if unbleached, six cents per square yard; if bleached, six and a half cents per square yard; if colored, stained, painted, or printed, six and a half cents per square yard, and in addition thereto, fifteen per centum, ad valorem. On goods of like description, exceeding two hundred threads to the square inch, counting the warp and filling, if unbleached, seven cents per square yard; if bleached, seven and a half cents per square yard; if colored, stained, painted, or printed, seven and a half cents per square yard, and in addition thereto, fifteen per centum ad valorem: *Provided*, That upon all plain woven cotton goods, not included in the foregoing schedules, unbleached, valued at over sixteen cents per square yard, bleached, valued at over twenty cents per square yard, colored, valued at over twenty-five cents per square yard, and cotton jeans, denims, and drillings, unbleached, valued at over twenty cents per square yard, and all other cotton goods, of every description, the value of which shall exceed twenty-five cents per square yard, there shall be levied, collected, and paid, a duty of thirty-five per centum ad valorem. *And provided, further*, That no cotton goods having more than two hundred threads to the square inch, counting the warp and filling, shall be admitted at a less rate of duty than is provided for goods which are of that number of threads.

Fourth. On spool thread of cotton, six cents per dozen spools, containing on each spool not exceeding one hundred yards of thread, and in addition thereto, thirty per centum ad valorem; exceeding one hundred yards, for every additional hundred yards of thread on each spool, or fractional part thereof in excess of one hundred yards, six cents per dozen, and thirty per centum ad valorem.

On cotton shirts and drawers, woven, or made on frames, and on all cotton hosiery, thirty-five per centum ad valorem.

On cotton velvet, thirty-five per centum ad valorem.

On cotton braids, insertings, lace, trimmings, or bobbinet, and all other manufactures of cotton, not otherwise provided for, thirty-five per centum ad valorem.

SEC. 7. *And be it further enacted*, That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, there shall be levied, collected, and paid, on the goods, wares, and merchandise enumerated and provided for in this section, imported from foreign countries, the following duties and rates of duties, that is to say:

First. On brown and bleached linens, ducks, canvas paddings, cotton bottoms, burlaps, diapers, crash, buckabacks, handkerchiefs, lawns, or other manufactures of flax, jute, or hemp, or of which flax, jute, or hemp shall be the component material of chief value, not otherwise provided for, valued at thirty cents or less

per square yard, thirty-five per centum ad valorem; valued at above thirty cents per square yard, forty per centum ad valorem On flax, or linen yarns for carpets, not exceeding number eight, Lee, and valued at twenty-four cents or less per pound, thirty per centum ad valorem. On flax or linen yarns, valued at above twenty-four cents per pound, thirty-five per centum ad valorem. On flax or linen thread, twine and pack thread, and all other manufactures of flax, or of which flax shall be the component material of chief value, not otherwise provided for, forty per centum ad valorem.

Second. On tarred cables or cordage, three cents per pound. On untarred Manilla cordage, two and one half cents per pound. On all other untarred cordage, three and a half cents per pound. On hemp yarns, five cents per pound. On coir-yarn, one and a half cent per pound. On seines, six and a half cents per pound.

Third. On gunny cloth, gunny bag, and cotton bagging, or other manufacture, not otherwise provided for, suitable for the uses to which cotton bagging is applied, composed in whole or in part of hemp, jute, flax, or other material, valued at ten cents or less per square yard, three cents per pound; over ten cents per square yard, four cents per pound, on sail duck, or canvas for sails, thirty per centum ad valorem; on Russia, and other sheetings of flax or hemp, brown and white, thirty-five per centum ad valorem; on all other manufactures of hemp, or of which hemp shall be the component material of chief value, not otherwise provided for, thirty per centum ad valorem; on grass cloth, thirty per centum ad valorem; on jute yarns, twenty-five per centum ad valorem; on all other manufactures of jute or Sisal grass, not otherwise provided for, thirty per centum ad valorem.

SEC. 8. *And be it further enacted,* That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law, on the articles hereinafter mentioned, there shall be levied, collected, and paid, on the goods, wares, and merchandise enumerated and provided for in this section, imported from foreign countries, the following duties and rates of duty, that is to say:

On spun silk for filling, in skeins or cops, twenty-five per centum, ad valorem; on silk in the gum, not more advanced than singles, tram, and thrown or organize, thirty-five per centum ad valorem; on floss silks, thirty five per centum ad valorem; on sewing silk, in the gum or purified, forty per centum ad valorem; on all dress and piece silks, ribbons and silk velvets, or velvets of which silk is the component material of chief value, sixty per centum ad valorem; on silk vestings, pongees, shawls, scarfs, mantillas, pelerines, handkerchiefs, veils, laces, shirts, drawers, bonnets, hats, caps, turbans, chemisettes, hose, mitts, aprons, stockings, gloves, suspenders, watch-chains, webbing braids, fringes, galloons, tassel cords, and trimmings, sixty per centum ad valorem.

On all manufactures of silk, or of which silk is a component material of chief value, not otherwise provided for, fifty per centum ad valorem.

SEC 9. *And be it further enacted,* That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, there shall be levied, collected and paid, on the goods, wares and merchandise enumerated and provided for in this section, imported from foreign countries, the following duties and rates of duty, that is to say:

On all brown earthenware and common stoneware, gas retorts, stoneware not ornamented, twenty-five per centum ad valorem.

On China, porcelain, and Parian ware, gilded, ornamented, or decorated in any manner, fifty per centum ad valorem.

On China, porcelain, and Parian ware, plain white, and not decorated in any manner, forty-five per centum ad valorem; on all other earthen, stone, or crockery ware, white, glazed, edged printed, painted, dipped, or cream-colored, composed of earthy or mineral substances, and not otherwise provided for, forty per centum ad valorem.

On slates, slate pencils, slate chimney pieces, mantles, slabs for tables, and all other manufactures of slate, forty per centum ad valorem.

On unwrought clay, pipe clay, fire clay, and kaoline, five dollars per ton.

On fuller's earth, three dollars per ton.

On white chalk and cliff stone, ten dollars per ton. On red and French chalk, twenty per centum ad valorem. On chalk of all descriptions, not otherwise provided for, twenty-five per centum ad valorem.

On whiting and Paris white, one cent per pound.

On whiting ground in oil, two cents per pound.

On all plain and mould and press glass, not cut, engraved, or painted, thirty-five per centum ad valorem.

On all articles of glass, cut, engraved, painted, colored, printed, stained, silvered, or gilded, not including plate-glass silvered, or looking-glass plates, forty per centum ad valorem.

On all unpolished cylinder, crown, and common window glass, not exceeding ten by fifteen inches square, one cent and a half per pound; above that and not exceeding sixteen by twenty-four inches square, two cents per pound; above that and not exceeding twenty-four by thirty inches square, two cents and a half per pound; all above that, three cents per pound.

On cylinder and crown glass, polished, not exceeding ten by fifteen inches square, two and one-half cents per square foot; above that, and not exceeding sixteen by twenty-four inches square, four cents per square foot; above that and not exceeding twenty-four by thirty inches square, six cents per square foot; above that and not exceeding twenty-four by sixty inches, twenty cents per square foot; all above that, forty cents per square foot.

On fluted, rolled, or rough plate glass, not including crown, cylinder, or common window glass, not exceeding ten by fifteen inches square, seventy five cents per one hundred square feet; above that, and not exceeding sixteen by twenty-four inches square, one cent per square foot; above that and not exceeding twenty-four by thirty inches square, one cent and a half per square foot; all above that, two cents per square foot; *Provided*, that all fluted, rolled, or rough plate glass, weighing over one hundred pounds per one hundred square feet, shall pay an additional duty on the excess at the same rates herein imposed.

On all cast polished plate glass, unsilvered, not exceeding ten by fifteen inches square, three cents per square foot; above that and not exceeding sixteen by twenty-four inches square, five cents per square foot: above that and not exceeding twenty-four by thirty inches square, eight cents per square foot; above that and not exceeding twenty-four by sixty inches square, twenty-five cents per square foot; all above that, fifty cents per square foot.

On all cast polished plate glass silvered, or looking glass plates not exceeding ten by fifteen inches square, four cents per square foot; above that and not ex-

ceeding sixteen by twenty-four inches square, six cents per square foot; above that and not exceeding twenty-four by thirty inches square, ten cents per square foot; above that and not exceeding twenty-four by sixty inches square, thirty-five cents per square foot; all above that sixty cents per square foot; *Provided*, that no looking-glass plates or plate glass silvered, when framed, shall pay a less rate of duty than that imposed upon similar glass of like description not framed, but shall be liable to pay in addition thereto thirty per centum ad valorem upon such frames.

On porcelain and Bohemian glass, glass crystals for watches, paintings on glass or glasses, peebles for spectacles, and all manufactures of glass, or of which glass shall be a component material, not otherwise provided for, and all glass bottles or jars filled with sweetmeats or preserves, not otherwise provided for, forty per centum ad valorem.

SEC. 10. *And be it further enacted*, That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, and on such as may now be exempt from duty, there shall be levied, collected and paid on the goods, wares, and merchandise enumerated and provided for in this section, imported from foreign countries, the following duties and rate of duty, that is to say:

First. On annatto seed, extract of annatto, nitrate of barytes, carmined indigo, crude tica, extract of safflower, finishing powder, gold size and patent size, cobal, oxide of cobalt, smalt zaffre, and terra alba, twenty per centum ad valorem. On nickel, fifteen per centum ad valorem.

Second. On albumen, asbestos, asphaltum, crocus, colcotra, blue or Roman vitriol or sulphate of copper, bone or ivory drop black, murexide, ultramarine, Indian red, and Spanish brown, twenty-five per centum ad valorem.

Sec. 11. *And be it further enacted*, That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, there shall be levied, collected and paid, on the goods, wares and merchandise enumerated and provided for in this section, imported from foreign countries, the following duties and rates of duty, that is to say:

On acetic acid, acetous or concentrated vinegar, or pyroligneous acid, exceeding the specific gravity of 1,040, eighty cents per pound; not exceeding the specific gravity of 1,040, known as number eight, twenty-five cents per pound.

On acetate or pyrolignite of ammonia, seventy cents per pound; of baryta, forty cents per pound; of iron, strontia, and zinc, fifty cents per pound; of lead, twenty cents per pound; of magnesia and soda, fifty cents per pound; of lime, twenty-five per centum ad valorem.

On aniline dyes, one dollar per pound and thirty-five per centum ad valorem. On Paris white, enameled white, satin white, lime white, and all combinations of barytes with acids or water, three cents per pound. On carmine lake, dry or liquid, thirty-five per centum ad valorem. On French green, Paris green, mineral green, mineral blue, Prussian blue, dry or moist, thirty per centum ad valorem.

On almonds, six cents per pound; shelled, ten cents per pound.

On articles not otherwise provided for, made of gold, silver, German silver, or platina, or of which either of these metals shall be a component part, forty per centum ad valorem.

On antimony, crude and regulus of antimony, ten per centum ad valorem.

On opium, two dollars and fifty cents per pound; on opium prepared for smoking, and extracts of opium, one hundred per centum ad valorem.

On morphine and its salts, two dollars and fifty cents per ounce

On arrowroot, thirty per centum ad valorem.

On brimstone, crude, six dollars per ton.

On brimston, in rolls, or refined, ten dollars per ton.

On castor beans or seeds, per bushel of fifty pounds, sixty cents.

On chickory root, four cents per pound; ground, burnt or prepared, five cents per pound.

On cassia, twenty cents per pound; on cassia buds and ground cassia, twenty-five cents per pound.

On cinnamon, thirty cents per pound.

On chloroform, one dollar per pound.

On collodion and ethers of all kinds, not otherwise provided for, and etherial preparations or extracts, fluid, one dollar per pound.

On cologne water and other perfumery, of which alcohol forms the principal ingredient, three dollars per gallon, and fifty per cent ad valorem.

On cloves, twenty cents per pound; on clove stems, ten cents per pound.

On fusil oil, or amylic alcohol, two dollars per gallon.

On Hoffman's anodyne and spirits of nitric ether, fifty cents per pound.

On bristles, fifteen cents per pound; on hog's hair, one cent per pound; on istle, or Tampico fibre, one cent per pound.

On brushes of all kinds, forty per centum ad valorem.

On honey, twenty cents per gallon.

On lead, white or red, and litharge, dry or ground in oil, three cents per pound.

On percussion caps, forty per centum ad valorem.

On lemons, oranges, pine-apples, plantains, cocoa-nuts, and fruits preserved in their own juice, and fruit juice, twenty-five per centum ad valorem.

On licorice root, two cents per pound; on licorice paste, or licorice in rolls, ten cents per pound.

On nutmegs, fifty cents per pound.

On mace, forty cents per pound.

On oil, croton, one dollar per pound; olive, in flasks or bottles, and salad, one dollar per gallon; castor, one dollar per gallon; cloves, two dollars per pound; cognac or œnanthic ether, four dollars per ounce.

On pea nuts, or ground beans, one cent per pound; shelled, one and a half cent per pound; on filberts and walnuts of all kinds, three cents per pound.

On petroleum and coal illuminating oil, crude, ten cents per gallon. On illuminating oil, and naptha, benzine and benzole, refined or produced from the distillation of coal asphaltum, shale, peat, petroleum, or rock oil, or other bituminous substances, used for like purposes, thirty cents per gallon.

On pimento, and black, white and red or cayenne pepper, fifteen cents per pound; on ground pimento and pepper of all kinds, eighteen cents per pound.

On spirits of turpentine, thirty cents per gallon.

On sulphur, flour of, twenty dollars per ton and fifteen per centum ad valorem.

On tannin and tannic acid, two dollars per pound; on gallic acid, one dollar and fifty cents per pound.

On santonine, five dollars per pound.

On salt in sacks, barrels, and other packages, twenty-four cents per one hundred pounds; on salt in bulk, eighteen cents per one hundred pounds.

On crude saltpetre, two and one half cents per pound.

On strychnine and its salts, one dollar and one half per ounce.

On tagger's iron, thirty per centum ad valorem.

On vinegar, ten cents per gallon.

On watches, gold or silver, twenty-five per centum ad valorem.

On wood pencils, filled with lead or other materials, fifty cents per gross, and in addition thereto, thirty per centum ad valorem.

On ostrich, vulture, cock and other ornamental feathers, crude or not dressed, colored or manufactured, twenty-five per centum ad valorem; when dressed, colored or manufactured, fifty per centum ad valorem.

On playing cards, costing not over twenty-five cents per pack, twenty-five cents per pack; costing over twenty-five cents per pack, thirty-five cents per pack.

SEC. 12. *And be it further enacted*, That on and after the day and year aforesaid, there shall be levied, collected, and paid a duty of fifty per centum ad valorem on the importation of the articles hereinafter mentioned and embraced in this section, that is to say:

Anchovies and sardines, preserved in oil or otherwise.

Artificial and ornamental feathers and flowers, or parts thereof, of whatever material composed, not otherwise provided for.

Beads and bead ornaments.

Billiard chalk.

Ginger, preserved or pickled.

Ivory or bone dice, draughts, chess men, chess balls and bagatelle balls.

Jellies of all kinds.

On kid or other leather gloves of all descriptions, for men's, women's or children's wear.

On wooden and other toys for children.

SEC. 13. *And be it further enacted*, That on and after the day and year aforesaid, in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, there shall be levied, collected, and paid, on the goods, wares and merchandise enumerated and provided for in this section, imported from foreign countries, the following duties and rates of duty, that is to say:

On books, periodicals, pamphlets, blank books, bound or unbound, and all printed matter, engravings bound or unbound, illustrated books and papers, and maps and charts, twenty-five per centum ad valorem.

On cork, bark or wood, unmanufactured, thirty per centum ad valorem. On corks and cork bark manufactured, fifty per centum ad valorem.

On Hatters' furs, not on the skin, and dressed furs on the skin, twenty per centum ad valorem. Furs on the skin, undressed, ten per centum ad valorem.

On fire crackers, one dollar per box of forty packs, not exceeding eighty to each pack, and in the same proportion for any greater number.

On gutta-percha, manufactured, forty per centum ad valorem.

On gunpowder and all explosive substances used for mining, blasting, artillery or sporting purposes, when valued at twenty cents or less per pound, a duty of

six cents per pound, and in addition thereto twenty per centum ad valorem; valued above twenty cents per pound, a duty of ten cents per pound, and in addition thereto twenty per centum ad valorem.

On marble, white statuary, brocatelle, sienna and verdantique, in block, rough or squared, one dollar per cubic foot, and in addition thereto twenty-five per centum ad valorem. On veined marble and marble of all other descriptions, not otherwise provided for in block, rough or squared, fifty cents per cubic foot, and in addition thereto twenty per centum ad valorem.

On mineral or medicinal waters, or waters from springs impregnated with minerals, for each bottle or jug containing not more than one quart, three cents, and in addition thereto twenty-five per centum ad valorem; containing more than one quart, three cents for each additional quart, or a fractional part thereof, and in addition thereto twenty five per centum ad valorem.

On palm-leaf fans, one cent each.

On pipes, clay, common or white, thirty-five per centum ad valorem.

On meerschaum, wood, porcelain, lava, and all other tobacco smoking pipes and pipe-bowls, not herein otherwise provided for, one dollar and fifty cents per gross, and in addition thereto seventy-five per centum ad valorem.

On pipe-cases, pipe-stems, tips, mouth-pieces and metallic mountings for pipes, and all parts of pipes and pipe fixtures, and all smokers' articles, seventy-five per centum ad valorem.

On pen tips and pen-holders, or parts thereof, thirty five per centum ad valorem.

On pens, metalic, ten cents per gross, and in addition thereto twenty-five per centum ad valorem.

On soap, fancy, perfumed, honey, transparent and all descriptions of toilet and shaving soap, ten cents per pound, and in addition thereto twenty-five per centum ad valorem.

On all soap not otherwise provided for, one cent per pound, and in addition thereto thirty per centum ad valorem.

On starch, made of potatoes or corn, one cent per pound, and twenty per centum ad valorem.

On starch made of rice, or any other material, three cents per pound, and twenty per centum ad valorem.

On rice, cleaned, two and a half cents per pound; on uncleaned, two cents per pound.

On paddy, one and a half cents per pound.

Sec. 14. *And be it further enacted*, That on the entry of any vessel, or of any goods, wares, or merchandise, the decision of the collector of customs at the port of importation and entry, as to the rate and amount of duties to be paid on the tonnage of such vessel or on such goods, wares or merchandise, and the dutiable costs and charges thereon, shall be final and conclusive against all persons interested therein, unless the owner, master, commander, or consignee of such vessel, in the case of duties levied on tonnage, or the owner, importer, consignee, or agent of the merchandise, in the case of duties levied on goods, wares, or merchandise, or the costs and charges thereon, shall, within ten days after the ascertainment and liquidation of the duties by the proper officers of the customs, as well in cases of merchandise entered in bond as for consumption, give notice in writing to the collector on each entry, if dissatisfied with his decision, setting

forth therein, distinctly and specifically, the grounds of his objection thereto, and shall, within thirty days after the date of such ascertainment and liquidation, appeal therefrom to the Secretary of the Treasury, whose decision on such appeal shall be final and conclusive; and such vessel, goods, wares, or merchandise, or costs and charges, shall be liable to duty accordingly, any act of Congress to the contrary notwithstanding, unless suit shall be brought within ninety days after the decision of the Secretary of the Treasury on such appeal for any duties which shall have been paid before the date of such decision on such vessel, or on such goods, wares, merchandise, or costs or charges, or within ninety days after the payment of duties paid after the decision of the Secretary. And no suit shall be maintained in any court for the recovery of any duties alleged to have been erroneously or illegally exacted, until the decision of the Secretary of the Treasury shall have been first had on such appeal, unless said decision of the Secretary shall be delayed more than ninety days from the date of such appeal in the case of an entry at any port East of the Rocky Mountains, or more than five months in case of an entry West of those mountains.

Sec. 15. *And be it further enacted*, That the decision of the respective collectors of customs, as to all fees, charges, and exactions of whatever character, other than those mentioned in the next preceeding section, claimed by them, or by any of the officers under them, in the performance of their official duty, shall be final and conclusive against all persons interested in such fees, charges, or exactions, unless the like notice that an appeal will be taken from such decision to the Secretary of the Treasury shall be given within ten days from the making of such decision, and unless such appeal shall actually be taken within thirty days from the making of such decision; and the decision of the Secretary of the Treasury shall be final and conclusive upon the matter so appealed, unless suit shall be brought for the recovery of such fees, charges or exactions, within the period, as provided for in the next preceding section, in regard to duties. And no suit shall be maintained in any court, for the recovery of any such fees, costs, and charges alleged to have been erroneously or illegally exacted, until the decision of the Secretary of the Treasury shall have been first had on such appeal, unless such decision of the Secretary shall be delayed more than ninety days from the date of such appeal, in case of an entry at any port east of the Rocky Mountains, or more than five months in case of an entry west of those mountains.

Sec. 16. *And be it further enacted*, That whenever it shall be shown, to the satisfaction of the Secretary of the Treasury, that in any case of unascertained duties, or duties or other moneys paid under protest and appeal, as hereinbefore provided, more money has been paid to the collector, or person acting as such, than the law requires should have been paid, it shall be the duty of the Secretary of the Treasury to draw his warrant upon the Treasurer, in favor of the person or persons entitled to the over payment, directing the said Treasurer to refund the same out of any money in the treasury not otherwise appropriated.

Sec. 17. *And be it further enacted*, That a discriminating duty of ten per centum ad valorem, in addition to the duties imposed by law, shall be levied, collected and paid, on all goods, wares and merchandise which, on and after the day this act shall take effect, shall be imported in ships or vessels not of the United States: *Provided*, That this discriminating duty shall not apply to goods, wares and merchandise which shall be imported, on and after the day this act takes effect, in ships or vessels not of the United States, entitled by treaty, or any act or acts of Congress, to be entered in the ports of the United States, on payment of the same duties as shall then be paid on goods, wares, and merchandise imported in ships or vessels of the United States.

Sec. 18. *And be it further enacted*, That on and after the day and year this act shall take effect, there shall be levied, collected and paid, on all goods, wares, and merchandise, of the growth or produce of countries east of the Cape of Good Hope, (except silk, raw, or unmanufactured, or not more advanced in manufacture than singles, tram, thrown organzine and raw cotton,) when imported from places west of the Cape of Good Hope a duty of ten per centum ad valorem, in addition to the duties imposed on any such articles, when imported directly from

the place or places of their growth or production: *Provided*, That section three of the act approved August five, eighteen hundred and sixty-one, entitled "An act to provide increased revenue from imports, to pay interest on the public debt, and for other purposes," and section fourteen of the act approved July fourteen, eighteen hundred and sixty-two, entitled "An act increasing, temporarily, the rates of duties on imports, and for other purposes," be, and the same are hereby repealed.

SEC. 19. *And be it further enacted*, That all goods, wares, and merchandise which may be in the public stores or bonded warehouses on the day and year this act shall take effect, shall be subjected to no other duty upon the entry thereof, for consumption, than if the same were imported respectively after that day, and so much of the act of August sixth, eighteen hundred and forty-six, or any other act, as requires the sale of fire-crackers, or prohibits their deposit in bonded warehouse, is hereby repealed.

SEC. 20. *And be it further enacted*, That the joint resolution "to increase, temporarily, the duties on imports," approved April twenty-ninth, eighteen hundred and sixty-four, shall not be deemed to have taken effect until after the thirtieth day of April, eighteen hundred and sixty-four, and shall be and remain in force until and including the thirtieth day of June, eighteen hundred and sixty-four, and any duties which shall have been exacted and received, contrary to the provisions of this section, shall be refunded by the Secretary of the Treasury.

SEC. 21. *And be it further enacted*, That during the period of one year from the passage of this act, there may be imported into the United States, free of duty, any machinery designed for and adapted to the manufacture of woven fabrics from the fibre of flax or hemp, including all the preliminary processes requisit therefor, and that steam agricultural machinery and implements, may be imported free from duty, for one year from the passage of this act.

SEC. 22. *And be it further enacted*, That all acts and parts of acts repugnant to the provisions of this act be, and the same are hereby repealed: *Provided*, That the existing laws shall extend to and be in force for the collection of the duties imposed by this act, for the prosecution and punishment of all offences, and for the recovery, collection, distribution, and the remission of all fines, penalties, and forfeitures, as fully and effectually as if every regulation, penalty, forfeiture, provision, cause matter, and thing to that effect, in the existing law contained, had been inserted in, and re-enacted by this act: *And provided, further*, That the duties upon all goods, wares and merchandise imported from foreign countries, not provided for in this act, shall be and remain as they were, according to existing laws prior to the twenty-ninth of April, eighteen hundred and sixty-four.

SEC. 23. *And be it further enacted*, That on and after the day and year this act shall take effect, it shall be lawful for the owner, consignee, or agent, of any goods, wares, or merchandise which shall have been actually purchased, or procured otherwise than by purchase, at the time when he shall produce his original invoice or invoices to the collector, and make and verify his written entry of his goods, wares and merchandise as provided by section thirty-six of the act of March two, seventeen hundred and ninety-nine, entitled "An act to regulate the collection of duties on imports and tonnage," and not afterward, to make such addition in the entry to the cost or value given in the invoice as, in his opinion, may raise the same to the true market value of such goods, wares and merchandise in the principal markets of the country whence they shall have been imported, and to add thereto all costs and charges which, under existing laws, would form part of the true value at the port where the same may be entered, upon which the duties should be assessed. And it shall be the duty of the collector, within whose district the same may be imported or entered, to cause the dutiable value of such goods, wares and merchandise to be appraised, estimated and ascertained, in accordance with the provisions of existing laws. And if the appraised value thereof shall exceed, by ten per centum, or more, the value so declared on the entry, then, in addition to the duties imposed by law on the same, there shall be levied, collected and paid, a duty of twenty per centum ad valorem on such ap-

praised value: *Provided*, That the duty shall not be assessed upon an amount less than the invoice or entered value, any law of Congress to the contrary notwithstanding: *And provided further*, That on and after the day and year aforesaid, the eighth section of the act entitled "An act reducing the duty on imports, and for other purposes," approved July thirty, eighteen hundred and forty-six, and the act amendatory thereof, approved March three, eighteen hundred and fifty-seven, be, and the same are hereby repealed.

Sec. 24. *And be it further enacted*, That in determining the valuation of goods, imported into the United States from foreign countries, except as hereinbefore provided, upon which duties imposed by any existing laws are to be assessed, the actual value of such goods on shipboard, at the last place of shipment to the United States, shall be deemed the dutiable value. And such value shall be ascertained by adding to the value of such goods at the place of growth, production or manufacture, the cost of transportation, shipment and transhipment, with all the expenses included, from the place of growth, production, or manufacture, whether by land or water, to the vessel in which shipment is made to the United States, the value of the sack, box, or covering of any kind, in which such goods are contained, commission at the usual rate, in no case less than two and one half per centum brokerage, and all export duties, together with all costs and charges paid or incurred for placing said goods on shipboard, and all other proper charges specified by law.

Sec. 25. *And be it further enacted*, That so much of section twenty-three of the act entitled "An act to provide for the payment of outstanding treasury notes, to authorize a loan, to regulate and fix the duties on imports, and for other purposes, approved March two, eighteen hundred and sixty-one, as exempts from duty all philosophical apparatus and instruments imported for the use of any society incorporated for philosophical, literary, or religious purposes, or for the encouragement of the fine arts, or for the use, or by the order of any college, academy, school, or seminary of learning in the United States, is hereby repealed. And the same shall be subject to a duty of fifteen per centum ad valorem.

Sec. 26. *And be it further enacted*, That when any cask, barrel, carboy, or other vessel of American manufacture, exported or sent out of the country, filled with the products of the United States, shall be returned to the United States empty, the same shall be admitted free of duty, under such rules and regulations as may be prescribed by Secretary of Treasury.

Sec. 27. *And be it further enacted*, That on and after January first, eighteen hundred and sixty-five, the invoices of all goods, wares and merchandise, imported into the United States, shall be made out in the weights or measures of the country or place from which the importations shall be made, and shall contain a true statement of the actual weights or measures of such goods, wares and merchandise, without any respect to the weights or measures of the United States.

Sec. 28. *And be it further enacted*, That in all cases where officers of the customs, or other salaried officers of the United States, shall be, or shall have been, appointed by the Secretary of the Treasury, to carry into effect the licenses, rules, and regulations, provided for by the fifth section of the act of the thirteenth of July, eighteen hundred and sixty-one, entitled "An act further to provide for the collection of duties on imports, and for other purposes," such officer of the United States shall be entitled to receive one thousand dollars per annum for his services, under the act aforesaid, in addition to his salary or compensation under any other law: *Provided*, That the aggregate compensation of any such officer shall not exceed the sum of five thousand dollars in any one year.

Sec. 29. *And be it further enacted*, That any baggage, or personal effects, arriving in the United States, in transit to any foreign country, may be delivered by the parties having it in charge to the collector of customs, to be by him retained, without the payment or exaction of any import duty, and to be delivered to such parties on their departure for their foreign destination, under such rules, regulations, and fees as the Secretary of the Treasury may prescribe.

Approved, June 30, 1864.

NATIONAL BANK LAW.

(OFFICIAL COPY.)

[PUBLIC—No. 85.]

AN ACT to provide a national currency, secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That there shall be established in the Treasury Department a separate bureau, which shall be charged with the execution of this and all other laws that may be passed by Congress respecting the issue and regulation of a national currency, secured by United States bonds. The chief officer of the said bureau shall be denominated the Comptroller of the Currency, and shall be under the general direction of the Secretary of the Treasury. He shall be appointed by the President, on the recommendation of the Secretary of the Treasury, by and with the advice and consent of the Senate, and shall hold his office for the term of five years, unless sooner removed by the President, upon reasons to be communicated by him to the Senate; he shall receive an annual salary of five thousand dollars; he shall have a competent deputy, appointed by the Secretary, whose salary shall be two thousand five hundred dollars, and who shall possess the power and perform the duties attached by law to the office of Comptroller during a vacancy in such office, and during his absence or inability; he shall employ, from time to time, the necessary clerks to discharge such duties as he shall direct, which clerks shall be appointed and classified by the Secretary of the Treasury, in the manner now provided by law. Within fifteen days from the time of notice of his appointment the Comptroller shall take and subscribe the oath of office prescribed by the Constitution and laws of the United States; and he shall give to the United States a bond in the penalty of one hundred thousand dollars, with not less than two responsible sureties, to be approved by the Secretary of the Treasury, conditioned for the faithful discharge of the duties of his office. The Deputy Comptroller so appointed shall also take the oath of office prescribed by the Constitution and laws of the United States, and shall give a like bond in the penalty of fifty thousand dollars. The Comptroller and Deputy Comptroller shall not, either directly or indirectly, be interested in any association issuing national currency under the provisions of this act.

SEC. 2. *And be it further enacted*, That the Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall devise a seal, with suitable inscriptions, for his office, a description of which, with a certificate of approval by the Secretary of the Treasury, shall be filed in the office of the Secretary of State, with an impression thereof, which shall thereupon become the seal of office of the Comptroller of the Currency, and the same may be renewed when necessary. Every certificate, assignment, and conveyance, executed by the Comptroller, in pursuance of any authority conferred on him by law, and sealed with his seal of office, shall be received in evidence in all places and courts whatsoever;

and all copies of papers in the office of the Comptroller, certified by him, and authenticated by the said seal, shall, in all cases, be evidence equally and in like manner as the original. An impression of such seal directly on the paper shall be as valid as if made on wax or wafer.

SEC. 3. *And be it further enacted*, That there shall be assigned to the Comptroller of the Currency, by the Secretary of the Treasury, suitable rooms in the Treasury building for conducting the business of the Currency Bureau, in which shall be safe and secure fire-proof vaults, in which it shall be the duty of the Comptroller to deposit and safely keep all the plates not necessarily in the possession of engravers or printers, and other valuable things belonging to his department; and the Comptroller shall, from time to time, furnish the necessary furniture, stationary, fuel, lights, and other proper conveniences for the transaction of said business.

SEC. 4. *And be it further enacted*, That the term "United States bonds," as used in this act, shall be construed to mean all registered bonds now issued, or that may hereafter be issued, on the faith of the United States, by the Secretary of the Treasury in pursuance of law.

SEC. 5. *And be it further enacted*, That associations for carrying on the business of banking may be formed by any number of persons, not less, in any case, than five, who shall enter into articles of association, which shall specify in general terms the object for which the association is formed, and may contain any other provisions, not inconsistent with the provisions of this act, which the association may see fit to adopt for the regulation of the business of the association and the conduct of its affairs, which said articles shall be signed by the persons uniting to form the association, and a copy of them forwarded to the Comptroller of the Currency, to be filed and preserved in his office.

SEC. 6. *And be it further enacted*, That the persons uniting to form such an association shall, under their hands, make an organization certificate, which shall specify—

First. The name assumed by such association, which name shall be subject to the approval of the Comptroller.

Second, The place where its operations of discount and deposit are to be carried on, designating the State, Territory, or District, and also the particular county and city, town or village.

Third. The amount of its capital stock, and the number of shares into which the same shall be divided.

Fourth. The names and places of residence of the shareholders, and the number of shares held by each of them.

Fifth. A declaration that said certificate is made to enable such persons to avail themselves of the advantages of this act.

The said certificate shall be acknowledged before a judge of some court of record or a notary public, and such certificate, with the acknowledgment thereof, authenticated by the seal of such court or notary, shall be transmitted to the Comptroller of the Currency, who shall record and carefully preserve the same in his office. Copies of such certificate, duly certified by the Comptroller, and authenticated by his seal of office, shall be legal and sufficient evidence in all courts and places within the United States, or the jurisdiction of the Govern-

ment thereof, of the existence of such association, and of every other matter or thing which could be proved by the production of the original certificate.

SEC. 7. *And be it further enacted*, That no association shall be organized under this act with a less capital than one hundred thousand dollars, nor in a city whose population exceeds fifty thousand persons, with a less capital than two hundred thousand dollars: *Provided*, that banks with a capital of not less than fifty thousand dollars may, with the approval of the Secretary of the Treasury, be organized in any place the population of which does not exceed six thousand inhabitants.

SEC. 8. *And be it further enacted*, That every association formed pursuant to the provisions of this act shall, from the date of the execution of its organization certificate, be a body corporate, but shall transact no business except such as may be incidental to its organization, and necessarily preliminary, until authorized by the Comptroller of the Currency to commence the business of banking. Such association shall have power to adopt a corporate seal, and shall have succession by the name designated in its organization certificate, for the period of twenty years from its organization, unless sooner dissolved, according to the provisions of its articles of association, or by the act of its shareholders owning two-thirds of its stock, or unless the franchise shall be forfeited by a violation of this act; by such name it may make contracts, sue and be sued, complain and defend, in any court of law and equity as fully as natural persons; it may elect or appoint directors, and by its board of directors appoint a president, vice-president, cashier, and other officers, define their duties, require bonds of them and fix the penalty thereof, dismiss said officers, or any of them, at pleasure, and appoint others to fill their places, and exercise under this act all such incidental powers as shall be necessary to carry on the business of banking, by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin and bullion; by loaning money on personal security; by obtaining, issuing, and circulating notes, according to the provisions of this act; and its board of directors shall also have power to define and regulate, by by-laws, not inconsistent with the provisions of this act, the manner in which its stock shall be transferred, its directors elected or appointed, its officers appointed, its property transferred, its general business conducted, and all the privileges granted by this act to associations organized under it shall be exercised and enjoyed; and its usual business shall be transacted at an office or banking-house located in the place specified in its organization certificate.

SEC. 9. *And be it further enacted*, That the affairs of every association shall be managed by not less than five directors, one of whom shall be the president. Every director shall, during his whole term of service, be a citizen of the United States; and at least three-fourths of the directors shall have resided in the State, Territory, or district in which such association is located, one year next preceeding their election as directors, and be residents of the same during their continuance in office. Each director shall own, in his own right, at least ten shares of the capital stock of the association of which he is a director. Each director, when appointed or elected, shall take an oath that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of such association, and will

not knowingly violate, or willingly permit to be violated, any of the provisions of this act, and that he is the *bona fide* owner, in his own right, of the number of shares of stock required by this act, subscribed by him, or standing in his name on the books of the association, and that the same is not hypothecated, or in any way pledged, as security for any loan or debt; which oath, subscribed by himself, and certified by the officer before whom it is taken, shall be immediately transmitted to the Comptroller of the Currency, and by him filed and preserved in his office.

SEC. 10. *And be it further enacted*, that the directors of any association first elected or appointed, shall hold their places until their successors shall be elected and qualified. All subsequent elections shall be held annually, on such day in the month of January as may be specified in the articles of association; and the directors so elected shall hold their places for one year, and until their successors are elected and qualified. But any director ceasing to be the owner of the requisite amount of stock, or having in any other manner become disqualified, shall thereby vacate his place. Any vacancy in the board shall be filled by appointment by the remaining directors, and any director so appointed shall hold his place until the next election. If from any cause an election of directors shall not be made at the time appointed, the association shall not for that cause be dissolved, but an election may be held on any subsequent day, thirty days' notice thereof in all cases having been given in a newspaper published in the city, town, or county in which the association is located; and if no newspaper is published in such city, town or county, such notice shall be published in a newspaper published nearest thereto. If the articles of association do not fix the day on which the election shall be held, or if the election should not be held on the day fixed the day for the election shall be designated by the board of directors in their by, laws, or otherwise: *Provided*, That if the directors fail to fix the day, as aforesaid, shareholders representing two-thirds of the shares may.

SEC. 11. *And be it further enacted*, That in all elections of directors, and in deciding all questions at meetings of shareholders, each shareholder shall be entitled to one vote on each share of stock held by him. Shareholders may vote by proxies duly authorized in writing; but no officer, clerk, teller, or book-keeper of such association shall act as proxy; and no shareholder whose liability is past due and unpaid shall be allowed to vote.

SEC. 12. *And be it further enacted*, That the capital stock of any association formed under this act shall be divided into shares of one hundred dollars each, and be deemed personal property, and transferrable on the books of the association, in such manner as may be prescribed in the by-laws or articles of association; and every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares, and no change shall be made in the articles of association by which the rights, remidies, or security of the existing creditors of the association shall be impaired. The shareholders of each association formed under the provisions of this act, and of each existing bank or banking association that may except the provisions of this act, shall be held individually responsible, equally and ratably, and not one for another, for all contracts debts, and engagements of such association, to the extent of the amount of their stock therein, at the par

value thereof, in addition to the amount invested in such shares; except that shareholders of any banking association now existing under State laws, having not less than five millions of dollars of capital actually paid in, and a surplus of twenty per centum on hand, both to be determined by the Comptroller of the Currency, shall be liable only to the amount invested in their shares; and such surplus of twenty per centum shall be kept undiminished, and be in addition to the surplus provided for in this act; and if at any time there shall be a deficiency in said surplus of twenty per centum, the said banking association shall not pay any dividends to its shareholders until such deficiency shall be made good; and in case of such deficiency, the Comptroller of the Currency may compel said banking association to close its business and wind up its affairs under the provisions of this act. And the Comptroller shall have authority to withold from an association his certificate authorizing the commencement of business, whenever he shall have reason to suppose that the shareholders thereof have formed the same for any other than the legitimate objects contemplated by this act.

SEC. 13. *And be it further enacted*, That it shall be lawful for any association formed under this act, by its articles of association, to provide for an increase of its capital, from time to time, as may be deemed expedient, subject to the limitations of this act: *Provided*, that the maximum of such increase in the articles of association shall be determined by the Comptroller of the Currency; and no increase of capital shall be valid until the whole amount of such increase shall be paid in, and notice thereof shall have been transmitted to the Comptroller of the Currency, and his certificate obtained specifying the amount of such increase of capital stock, with his approval thereof, and that it has been duly paid in as part of the capital of such association. And every association shall have power, by the vote of shareholders owning two-thirds of its capital stock, to reduce the capital of such association to any sum not below the amount required by this act in the formation of associations: *Provided*, That by no such reduction shall its capital be brought below the amount required by this act for its outstanding circulation, nor shall any such reduction be made until the amount of the proposed reduction has been reported to the Comptroller of the Currency, and his approval thereof obtained.

SEC. 14. *And be it further enacted*, That at least fifty per centum of the capital stock of every association shall be paid in before it shall be authorized to commence business; and the remainder of the capital stock of such association shall be paid in instalments of at least ten per centum each on the whole amount of the capital, as frequently as one instalment at the end of each succeeding month from the time it shall be authorized by the Comptroller to commence business; and the payment of each instalment shall be certified to the Comptroller, under oath, by the president or cashier of the association.

SEC. 15. *And be it further enacted*, That if any shareholder, or his assignee, shall fail to pay any instalment on the stock, when the same is required by the foregoing section to be paid, the directors of such association may sell the stock of such delinquent shareholder at public auction, having given three weeks' previous notice thereof in a newspaper published, and of general circulation in the city or county where the association is located, and if no newspaper is published

in said city or county, then in a newspaper published nearest thereto; to any person who will pay the highest price therefor, and not less than the amount then due thereon, with the expenses of advertisement and sale; and the excess, if any, shall be paid to the delinquent shareholder. If no bidder can be found who will pay for such stock the amount due thereon to the association, and the cost of advertisment and sale, the amount previously paid shall be forfeited to the association, and such stock shall be sold as the directors may order, within six months from the time of such forfeiture, and if not sold it shall be cancelled and deducted from the capital stock of the association; and if such cancellation and reduction shall reduce the capital of the association below the minimum of capital required by this act, the capital stock shall, within thirty days from the date of such cancellation, be increased to the requirements of the act; in default of which a receiver may be appointed to close up the business of the association, according to the provisions of the fiftieth section of this act.

SEC. 16. *And be it further enacted*, That every association, after having complied with the provisions of this act, preliminary to the commencement of banking business under its provisions, and before it shall be authorized to commence business, shall transfer and deliver to the Treasurer of the United States any United States registered bonds bearing interest to an amount not less than thirty thousand dollars, nor less than one-third of the capital stock paid in, which bonds shall be deposited with the Treasurer of the United States, and by him safely kept in his office, until the same shall be otherwise disposed of, in pursuance of the provisions of this act; and the Secretary of the Treasury is hereby authorized to receive and cancel any United States coupon bonds, and to issue in lieu thereof registered bonds of like amount, bearing a like rate of interest, and having the same time to run; and the deposit of bonds shall be, by every association, increased as its capital may be paid up or increased, so that every association shall, at all times, have, on deposit with the Treasurer, registered United States bonds to the amount of, at least, one-third of its capital stock actually paid in: *Provided*, that nothing in this section shall prevent an association that may desire to reduce its capital or to close up its business and dissolve its organization from taking up its bonds, upon returning to the Comptroller its circulating notes in the proportion hereinafter named in this act, nor from taking up any excess of bonds beyond one-third of its capital stock, and upon which no circulating notes have been delivered.

SEC. 17. *And be it further enacted*, That whenever a certificate shall have been transmitted to the Comptroller of the Currency, as provided in this act, and the association transmitting the same shall notify the Comptroller that at least fifty per centum of its capital stock has been paid in as aforesaid, and that such association has complied with all the provisions of this act, as required to be complied with, before such association shall be authorized to commence the business of banking, the Comptroller shall examine into the condition of such association, ascertain especially the amount of money paid in on account of its capital, the name and place of residence of each of the directors of such association, and the amount of the capital stock of which each is the bona fide owner, and, generally, whether such association has complied with all the requirements of this act to entitle it to engage in the business of banking; and shall cause to be made and

attested, by the oath of a majority of the directors, and by the president or cashier of such association, a statement of all the facts necessary to enable the Comptroller to determine whether such association is lawfully entitled to commence the business of banking under this act.

SEC. 18. *And be it further enacted*, That if, upon a careful examination of the facts so reported, and of any other facts which may come to the knowledge of the Comptroller, whether by means of a special commission appointed by him for the purpose of inquiring into the condition of such association or otherwise, it shall appear that such association is lawfully entitled to commence the business of banking, the Comptroller shall give to such association a certificate, under his hand and official seal, that such association has complied with all the provisions of this act, required to be complied with before being entitled to commence the business of banking under it, and that such association is authorized to commence said business accordingly; and it shall be the duty of the association to cause said certificate to be published in some newspaper published in the city or county where the association is located, for at least sixty days next after the issuing thereof: *Provided*, That if no newspaper is published in such city or county, the certificate shall be published in a newspaper published nearest thereto.

SEC. 19. *And be it further enacted*, That all transfers of United States bonds which shall be made by any association under the provisions of this act, shall be made to the Treasurer of the United States in trust for the association, with a memorandum written or printed on each bond, and signed by the cashier, or some other officer of the association making the deposit, a receipt therefor to be given to said association, or by the Comptroller of the Currency, or by a clerk appointed by him for that purpose, stating that it is held in trust for the association on whose behalf such transfer is made, and as security for the redemption and payment of any circulating notes that have been or may be delivered to such association. No assignment or transfer of any such bonds by the Treasurer shall be deemed valid or of binding force and effect unless countersigned by the Comptroller of the Currency. It shall be the duty of the Comptroller of the Currency to keep in his office a book, in which shall be entered the name of every association from whose accounts such transfer of bonds is made by the Treasurer, and the name of the party to whom such transfer is made: and the par value of the bonds so transferred shall be entered therein; and it shall be the duty of the Comptroller, immediately upon countersigning and entering the same, to advise, by mail, the association from whose account such transfer was made, of the kind and numerical designation of the bonds, and the amount thereof so transferred.

SEC. 20. *And be it further enacted*, That it shall be the duty of the Comptroller of the Currency to countersign and enter in the book, in the manner aforesaid, every transfer or assignment of any bonds held by the Treasurer presented for his signature; and the Comptroller shall have, at all times during office hours, access to the books of the Treasurer, for the purpose of ascertaining the correctness of the transfer or assignment presented to him to countersign; and the Treasurer shall have the like access to the book above mentioned, kept by the Comptroller, during office hours, to ascertain the correctness of the entries in

the same; and the Comptroller shall also, at all times, have access to the bonds on deposit with the Treasurer, to ascertain their amount and condition.

SEC. 21. *And be it further enacted*, That upon the transfer and delivery of bonds to the Treasurer, as provided in the foregoing section, the association making the same shall be entitled to receive from the Comptroller of the Currency, circulating notes of different denominations, in blank, registered and countersigned, as hereinafter provided, equal in amount to ninety per centum of the current market value of the United States bonds so transferred and delivered, but not exceeding ninety per centum of the amount of said bonds at the par value thereof, if bearing interest at a rate not less than five per centum per annum; and at no time shall the total amount of such notes, issued to any such association, exceed the amount at such time actually paid in of its capital stock.

SEC. 22. *And be it further enacted*, That the entire amount of notes for circulation to be issued under this act, shall not exceed three hundred millions of dollars. In order to furnish suitable notes for circulation, the Comptroller of the Currency is hereby authorized and required, under the direction of the Secretary of the Treasury, to cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and to have printed therefrom, and numbered, such quantity of circulating notes, in blank, of the denominations of one dollar, two dollars, three dollars, five dollars, ten dollars, twenty dollars, fifty dollars, one hundred dollars, five hundred dollars, and one thousand dollars, as may be required to supply under this act, the associations entitled to receive the same; which notes shall express upon their face that they are secured by United States bonds, deposited with the Treasurer of the United States, by the written or engraved signatures of the Treasurer and Register, and by the imprint of the seal of the Treasury; and shall also express upon their face the promise of the association receiving the same to pay on demand, attested by the signatures of the president or vice-president and cashier. And the said notes shall bear such devices, and such other statements, and shall be in such form as the Secretary of the Treasury shall, by regulation, direct: *Provided*, That not more than one-sixth part of the notes furnished to an association shall be of a less denomination than five dollars, and that after specie payments shall be resumed no association shall be furnished with notes of a less denomination than five dollars.

SEC. 23. *And be it further enacted*, That after any such association shall have caused its promise to pay such notes on demand to be signed by the president or vice-president and cashier thereof, in such manner as to make them obligatory promissory notes, payable on demand, at its place of business, such association is hereby authorized to issue and circulate the same as money; and the same shall be received at par in all parts of the United States in payment of taxes, excises, public lands, and all other dues to the United States, except for duties on imports; and also for all salaries and other debts and demands owing by the United States to individuals, corporations, and associations, within the United States, except interest on the public debt, and in redemption of the national currency. And no such association shall issue post notes or any other notes to circulate as money, than such as are authorized by the foregoing provisions of this act.

SEC. 24. *And be it further enacted*, That it shall be the duty of the Comptroller of the Currency to receive worn out or mutilated circulating notes issued by any such banking association, and also, on due proof of the destruction of any such circulating notes, to deliver, in place thereof, to such association, other blank circulating notes to an equal amount. And such worn-out or mutilated notes, after a memorandum shall have been entered in the proper books, in accordance with such regulations as may be established by the Comptroller, as well as all circulating notes which shall have been paid or surrendered to be cancelled, shall be burned to ashes in presence of four persons, one to be appointed by the Secretary of the Treasury, one by the Comptroller of the Currency, one by the Treasurer of the United States, and one by the association, under such regulations as the Secretary of the Treasury may prescribe. And a certificate of such burning, signed by the parties so appointed, shall be made in the books of the Comptroller, and a duplicate thereof forwarded to the association whose notes are thus cancelled.

Sec. 25. *And be it further enacted*, That it shall be the duty of every banking association having bonds deposited in the office of the Treasurer of the the United States, once or oftner in each fiscal year, and at such time or times during the ordinary business hours as said officer or officers may select, to examine and compare the bonds so pledged, with the books of the Comptroller and the accounts of the association, and, if found correct, to execute to the said Treasurer a certificate, setting forth the different kinds and the amounts thereof, and that the same are in the possession and custody of the Treasurer at the date of such certificate. Such examination may be made by an officer or agent of such association, duly appointed, in writing, for that purpose, whose certificate, before mentioned, shall be of like force and validity, as if executed by such president or cashier; and a duplicate, signed by the Treasurer, shall be retained by the association.

Sec. 26. *And be it further enacted*, That the bonds transferred to and deposited with the Treasurer of the United States, as hereinbefore provided, by any banking association, for the security of its circulating notes, shall be held exclusively for that purpose, until such notes shall be redeemed, except as provided in this act; but the Comptroller of the Currency shall give to any such banking association power of attorney to receive and appropriate to its own use, the interest on the bonds which it shall have so transferred to the Treasurer; but such powers shall become inoperative whenever such banking association shall fail to redeem its circulating notes as aforesaid. Whenever the market or cash value of any bonds deposited with the Treasurer of the United States, as aforesaid, shall be reduced below the amount of the circulation issued for the same, the Comptroller of the Currency is hereby authorized to demand and receive the amount of such depreciation in other United States bonds at cash value, or in money, from the association receiving said bills, to be deposited with the Treasurer of the United States as long as such depreciation continues. And said Comptroller, upon the terms prescribed by the Secretary of the Treasury, may permit an exchange to be made of any of the bonds deposited with the Treasurer by an association for other bonds of the United States, authorized by this act to be received as security for circulating notes, if he shall be of opinion that such an ex-

change can be made without prejudice to the United States, and he may direct the return of any of said bonds to the banking association which transferred the same, in sums of not less than one thousand dollars, upon the surrender to him and the cancellation of a proportionate amount of such circulating notes: *Provided*, that the remaining bonds, which shall have been transferred by the banking association offering to surrender circulating notes, shall be equal to the amount required for the circulating notes not surrendered by such banking association, and that the amount of bonds in the hands of the Treasurer shall not be diminished below the amount required to be kept on deposit with him by this act: *And provided*, That there shall have been no failure by such association to redeem its circulating notes, and no other violation by such association of the provisions of this act; and that the market or cash value of the remaining bonds shall not be below the amount required for the circulation issued for the same.

Sec. 27. *And be it further enacted*, That it shall be unlawful for any officer acting under the provisions of this act; to countersign or deliver to any association, or to any other company or person, any circulating notes contemplated by this act, except as hereinbefore provided, and in accordance with the true intent and meaning of this act. And any officer who shall violate the provisions of this section shall be deemed guilty of a high misdemeanor; and, on conviction thereof, shall be punished by fine not exceeding double the amount so countersigned and delivered, and imprisonment not less than one year, and not exceeding fifteen years, at the discretion of the court in which he shall be tried.

Sec. 28. *And be it further enacted*, That it shall be lawful for any such association to purchase, hold, and convey real estate as follows:

First. Such as shall be necessary for its immediate accommodation in the transaction of its business.

Second. Such as shall be mortgaged to it in good faith, by way of security for debts previously contracted.

Third. Such as shall be conveyed to it in satisfaction of debts previously contracted in course of its dealings.

Fourth. Such as it shall purchase at sales under judgment, decrees, or mortgages held by such association, or shall purchase to secure debts due to said association.

Such association shall not purchase or hold real estate in any other case or for any other purpose than as specified in this section. Nor shall it hold the possession of any real estate under mortgage, or hold the title and possession of any real estate purchased to secure any debts due to it for a longer period than five years.

Sec. 29. *And be it further enacted*, That the total liabilities to any association, of any person, or of any company, corporation, or firm, for money borrowed, including in the liabilities of a company, or firm, the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such association actually paid in: *Provided*, That the discount of bona fide bills of exchange drawn against actually existing values; and the discount of commercial or business paper, actually owned by the person or persons, cor-

poration, or firm; negotiating the same, shall not be considered as money borrowed.

Sec. 30. *And be it further enacted*, That every association may take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidences of debt, interest at the rate allowed by the laws of the State or Territory where the bank is located, and no more; except that where, by the laws of any State, a different rate is limited for banks of issue organized under State laws, the rate so limited shall be allowed for associations organized in any such State under this act. And when no rate is fixed by the laws of the State or Territory, the bank may take, receive, reserve, or charge a rate not exceeding seven per centum, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt, has to run. And the knowingly taking, receiving, reserving, or charging a rate of interest greater than aforesaid, shall be held and adjudged a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. And in case a greater rate of interest has been paid, the person or persons paying the same, or their legal representatives, may recover back, in any action of debt, twice the amount of the interest thus paid from the association taking or receiving the same: *Provided*, That such action is commenced within two years from the time the usurious transaction occurred. But the purchase, discount, or sale of a bona fide bill of exchange, payable at another place than the place of such purchase, discount, or sale, at not more than the current rate of exchange for sight drafts, in addition to the interest, shall not be considered as taking or receiving a greater rate of interest.

Sec. 31. *And be it further enacted*, That every association in the cities hereinafter named, shall, at all times, have on hand, in lawful money of the United States, an amount equal to at least twenty-five per centum of the aggregate amount of its notes in circulation, and its deposits, and every other association shall, at all times, have on hand, in lawful money of the United States, an amount equal to at least fifteen per centum of the aggregate amount of its notes in circulation, and of its deposits. And whenever the lawful money of any association in any of the cities hereinafter named, shall be below the amount of twenty-five per centum of its circulation, and deposits, and whenever the lawful money of any other association shall be below fifteen per centum of its circulation and deposits, such associations shall not increase its liabilities by making any new loans or discounts, otherwise than by discounting or purchasing bills of exchange payable at sight, nor make any dividend of its profits, until the required proportion between the aggregate amount of its outstanding notes of circulation and deposits, and its lawful money of the United States shall be restored: *Provided*, That three-fifths of said fifteen per centum may consist of balances due to an association available for the redemption of its circulating notes from associations approved by the Comptroller of the Currency, organized under this act, in the cities of Saint Louis, Louisville, Chicago, Detroit, Milwaukie, New Orleans, Cincinnati, Cleveland, Pittsburg, Baltimore, Philadelphia, Boston, New York, Albany, Leavenworth, San Francisco, and Washington city: *Provided, also*, That clearing-house certificates, representing specie or lawful money, specially

deposited for the purpose of any clearing-house association, shall be deemed to be lawful money in the possession, of any association belonging to such clearing-house, holding and owning such certificate, and shall be considered to be a part of the lawful money which such association is required to have, under the foregoing provisions of this section: *Provided*, that the cities of Charleston and Richmond may be added to the list of cities in the national associations, of which other associations may keep three-fifths of their lawful money, whenever, in the opinion of the Comptroller of the Currency, the condition of the Southern States will warrant it. And it shall be competent for the Comptroller of the Currency to notify any association, whose lawful money reserve as aforesaid shall be below the amount to be kept on hand as aforesaid, to make good such reserve; and if such association shall fail for thirty days thereafter so to make good its reserve of lawful money of the United States, the Comptroller may, with the concurrence of the Secretary of the Treasury, appoint a receiver to wind up the business of such association, as provided in this act.

Sec. 32. *And be it further enacted*, That each association organized in any of the cities named in the foregoing section, shall select, subject to the approval of the Comptroller of the Currency, an association in the city of New York, at which it will redeem its circulating notes at par. And each of such associations may keep one half of its lawful money reserve in cash deposits in the city of New York. And each association not organized within the cities named in the preceding section, shall select, subject to the approval of the Comptroller of the Currency, an association in either of the cities named in the preceding section, at which it will redeem its circulating notes at par; and the Comptroller shall give public notice of the names of the associations so selected at which redemptions are to be made by the respective associations, and of any change that may be made of the associations at which the notes of any association are redeemed. If any association shall fail either to make the selection or to redeem its notes as aforesaid, the Comptroller of the Currency may, upon receiving satisfactory evidence thereof, appoint a receiver, in the manner provided for in this act, to wind up its affairs: *Provided*, That nothing in this section shall relieve any association from its liability to redeem its circulating notes at its own counter at par, in lawful money, on demand. *And provided, further*, That every association formed or existing under the provisions of this act shall take and receive, at par, for any debt or liability to said association, any and all notes or bills issued by any association existing under and by virtue of this act.

Sec. 33. *And be it further enacted*, That the directors of any association may, semi-annually, each year, declare a dividend of so much of the nett profits of the association as they shall judge expedient; but each association shall, before the declaration of a dividend, carry one-tenth part of its nett profits of the preceding half year to its surplus fund, until the same shall amount to twenty per centum of its capital stock.

Sec 34. *And be it further enacted*, That every association shall make to the Comptroller of the Currency a report, according to the form which may be prescribed by him, verified by the oath or affirmation of the president or cashier of such association; which report shall exhibit, in detail, and under appropriate heads, the resources and liabilities of the association before the commencement

of business on the morning of the first Monday of the month of January, April, July, and October of each year, and shall transmit the same to the Comptroller within five days thereafter. And any bank failing to make and transmit such report, shall be subject to a penalty of one hundred dollars for each day after five days that such report is delayed beyond that time. And the Comptroller shall publish abstracts of said reports in a newspaper to be designated by him for that purpose in the city of Washington; and the separate report of each association shall be published in a newspaper in the place where such association is established, or if there be no newspaper at such place, then in a newspaper published at the nearest place thereto, at the expense of the association making such report. In addition to the quarterly reports required by this section, every association shall, on the first Tuesday of each month, make, to the Comptroller of the Currency, a statement, under the oath of the president or cashier, showing the condition of the association making such statement, on the morning of the day next preceding the date of such statement, in respect to the following items and particulars, to wit.: average amount of loans and discounts, specie, and other lawful money belonging to the association, deposits and circulation. And associations in other places than those cities named in the thirty-first section of this act, shall also return the amount due them, available for the redemption of their circulation.

Sec. 35. *And be it further enacted*, That no association shall make any loan or discount on the security of the shares of its own capital stock, nor be the purchaser or holder of any such shares, unless such security or purchase shall be necessary to prevent loss upon a debt previously contracted in good faith; and stock so purchased or acquired shall, within six months from the time of its purchase, be sold or disposed of at public or private sale, in default of which a receiver may be appointed to close up the business of the association, according to the provisions of this act.

Sec. 36. *And be it further enacted*, That no association shall, at any time, be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in, and remaining undiminished by losses, or otherwise, except on the following accounts, that is to say:

First. On account of its notes of circulation.

Second. On account of moneys deposited with, or collected by, such association.

Third. On account of bills of exchange, or drafts drawn against money actually on deposit to the credit of such association, or due thereto.

Fourth. On account of liabilities to its stockholders for dividends and reserved profits.

Sec. 37. *And be it further enacted*, That no association shall, either directly or indirectly, pledge or hypothecate, any of its notes of circulation, for the purpose of procuring money to be paid in on its capital stock, or to be used in its banking operations, or otherwise; nor shall any association use its circulating notes, or any part thereof, in any manner or form, to create or increase its capital stock.

Sec. 38. *And be it further enacted*, That no association, or any member thereof, shall, during the time it shall continue its banking operations, withdraw, or

permit to be withdrawn, either in form of dividends, or otherwise, any portion of its capital. And if losses shall at any time have been sustained by any such association, equal to or exceeding its undivided profits then on hand, no dividend shall be made; and no dividend shall ever be made by any association, while it shall continue its banking operations, to an amount greater than its nett profits then on hand, deducting therefrom its losses and bad debts. And all debts due to any association, on which interest is past due and unpaid for a period of six months, unless the same shall be well secured, and shall be in process of collection, shall be considered bad debts within the meaning of this act: *Provided*, That nothing in this section shall prevent the reduction of the capital stock of the association under the thirteenth section of this act.

Sec. 39. *And be it further enacted*, That no association shall, at any time, pay out on loans or discounts, or in purchasing drafts or bills of exchange, or in payment of deposits, or in any other mode pay or put in circulation the notes of any bank or banking association which shall not at any such time be receivable, at par, on deposit, and in payment of debts, by the association so paying out or circulating such notes; nor shall it knowingly pay out or put in circulation any notes issued by any bank or banking association which, at the time of such paying out, or putting in circulation, is not redeeming its circulating notes in lawful money of the United States.

Sec. 40. *And be it further enacted*, That the president and cashier of every such association shall cause to be kept, at all times, a full and correct list of the names and residences of all the shareholders in the association, and the number of shares held by each, in the office where its business is transacted; and such list shall be subject to the inspection of all the shareholders and creditors of the association, and the officers authorized to assess taxes, under State authority, during business hours of each day in which business may be legally transacted; and a copy of such list, on the first Monday of July of each year, verified by the oath of such president or cashier, shall be transmitted to the Comptroller of the Currency.

Sec. 41. *And be it further enacted*, That the plates and special dies to be procured by the Comptroller of the Currency, for the printing of such circulating notes, shall remain under his control and direction, and the expenses necessarily incurred in executing the provisions of this act, respecting the procuring of such notes, and all other expenses of the bureau, shall be paid out of the proceeds of the taxes or duties, now or hereafter to be assessed on the circulation, and collected from associations organized under this act. And in lieu of all existing taxes, every association shall pay to the Treasurer of the United States, in the months of January and July, a duty of one-half of one per centum each half year, from and after the first day of January, eighteen hundred and sixty-four, upon the average amount of its notes in circulation, and a duty of one-quarter of one per centum each half-year, upon the average amount of its deposits, and a duty of one quarter of one per centum each half year, as aforesaid, on the average amount of its capital stock, beyond the amount invested in United States bonds; and in case of default in the payment thereof by any association, the duties aforesaid may be collected in the manner provided for the collection of United States duties of other corporations, or the Treasurer may reserve the amount of said duties out of the in

terest as it may become due, on the bonds deposited with him by such defaulting association. And it shall be the duty of each association, within ten days from the first days of January and July of each year, to make a return, under the oath of its president or cashier, to the Treasurer of the United States, in such form as he may prescribe, of the average amount of its notes in circulation, and of the average amount of its deposits, and of the average amount of its capital stock, beyond the amount invested in United States bonds, for the six months next preceding said first days of January and July, as aforesaid, and in default of such return, and for each default thereof, each defaulting association shall forfeit and pay to the United States the sum of two hundred dollars, to be collected either out of the interest, as it may become due such association, on the bonds deposited with the Treasurer, or, at his option, in the manner in which penalties are to be collected of other corporations under the laws of the United States; and in case of such default, the amount of the duties to be paid by such associations shall be assessed upon the amount of notes delivered to such association by the Comptroller of the Currency, and upon the highest amount of its deposits and capital stock, to be ascertained in such other manner as the Treasurer may deem best: *Provided*, That nothing in this act shall be construed to prevent all the shares in any of the said associations, held by any person or body corporate, from being included in the valuation of the personal property of such person or corporation, in the assessment of taxes imposed by or under State authority, at the place where such bank is located, and not elsewhere, but not at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State: *Provided, further*, That the tax so imposed, under the laws of any State, upon the shares of any of the associations authorized by this act, shall not exceed the rate imposed upon the shares in any of the banks organized under authority of the State where such association is located: *Provided, also*, That nothing in this act shall exempt the real estate of associations from either State, county, or municipal taxes, to the same extent, according to its value, as other real estate is taxed.

Sec. 42. *And be it further enacted*, That any association may go into liquidation, and be closed, by the vote of its shareholders owning two thirds of its stock. And whenever such vote shall be taken, it shall be the duty of the board of directors to cause notice of this fact to be certified, under the seal of the association, by its president or cashier, to the Comptroller of the Currency, and pubcation thereof to be made for a period of two months in a newspaper published in the city of New York, and also in a newspaper published in a city or town in which the association is located, and if no newspaper be there published, then in the newspaper published nearest thereto, that said association is closing up its affairs, and notifying the holders of its notes, and other creditors, to present the notes and other claims against the association for payment. And at any time after the expiration of one year from the time of the publication of such notice, as aforesaid, the said association may pay over to the Treasurer of the United States the amount of its outstanding notes, in the lawful money of the United States, and take up the bonds which said association has on deposit with the Treasurer for the security of its circulating notes; which bonds shall be assigned to the bank in the manner specified in the nineteenth section of this act, and, from that time, the outstanding notes of said association shall be re-

deemed at the Treasury of the United States, and the said association, and the shareholders thereof, shall be discharged from all liabilities therefor.

Sec. 43. *And be it further enacted*, That the Treasurer, on receiving from an association lawful money for the payment and redemption of its outstanding notes, as provided for in the preceding section of this act, shall execute duplicate receipts therefor, one to the association, and the other to the Comptroller of the Currency, stating the amount received by him, and the purpose for which it has been received, which amount shall be paid into the Treasury of the United States, and placed to the credit of such association upon redemption account. And it shall be the duty of the Treasurer, whenever he shall redeem any of the notes of said association, to cause the same to be mutilated, and charged to the redemption account of said association; and all notes so redeemed by the Treasurer shall, every three months, be certified to and burned, in the manner prescribed in the twenty-fourth section of this act.

Sec. 44. *And be it further enacted*, That any bank incorporated by special law, or any banking institution organized under a general law of any State, may, by authority of this act, become a national association under its provisions, by the name prescribed in its organization certificate; and in such case the articles of association and the organization certificate required by this act may be executed by a majority of the directors of the bank or banking institution; and said certificate shall declare that the owners of two thirds of the capital stock have authorized the directors to make such certificate, and to change and convert the said bank or banking institution into a national asssociation under this act. And a majority of the directors, after executing said articles of association and organization certificate, shall have power to execute all other papers, and to do whatever may be required to make its organization perfect and complete as a national association. The shares of any such bank may continue to be for the same amount each, as they were before said conversion, and the directors aforesaid may be the directors of the association until others are selected or appointed, in accordance with the provisions of this act; and any State bank which is a stockholder in any other bank, by authority of State laws may continue to hold its stock, although either bank, or both, may be organized under and have accepted the provisions of this act. When the Comptroller shall give to such association a certificate, under his hand and official seal, that the provisions of this act have been complied with, and that it is authorized to commence the business of banking under it, the association shall have the same powers and privileges, and shall be subject to the same duties, responsibilities, and rules, in all respects, as are prescribed in this act for other associations organized under it, and shall be held and regarded as an association under this act: *Provided, however*, That no such association shall have a less capital than the amount prescribed for banking associations under this act.

Sec. 45. *And be it further enacted*, That all associations under this act, when designated for that purpose by the Secretary of the Treasury, shall be depositaries of public money, except receipts from customs, under such regula-

tions as may be prescribed by the Secretary; and they may also be employed as financial agents of the government; and they shall perform all such reasonable duties, as depositaries of public moneys and financial agents of the government, as may be required of them. And the Secretary of the Treasury shall require of the associations thus designated, satisfactory security, by the deposit of United States bonds, and otherwise, for the safe keeping and prompt payment of the public money deposited with them, and for the faithful performance of their duties as financial agents of the government: *Provided*, that every association which shall be selected and designated as receiver or depositary of the public money, shall take and receive, at par, all of the national currency bills, by whatever association issued, which have been paid in to the government for internal revenue, or for loans or stocks.

Sec. 46. *And be it further enacted*, That if any such association shall, at any time, fail to redeem, in the lawful money of the United States, any of its circulating notes, when payment thereof shall be lawfully demanded, during the usual hours of business, at the office of such association, or at its place of redemption aforesaid, the holder may cause the same to be protested, in one package, by a notary public, unless the president or cashier of the association whose notes are presented for paymrnt, or the president or cashier of the association at the place at which they are redeemable, shall offer to waive demand and notice of the protest, and shall, in pursuance of such offer, make, sign, and deliver to the party making such demand, an admission in writing, stating the time of the demand, the amount demanded, and the fact of the non-payment thereof; and such notary public, on making such protest, or upon receiving such admission, shall forthwith forward such admission, or notice of protest, to the Comptroller of the Currency, retaining a copy thereof: And after such default, on examination of the facts by the Comptroller, and notice by him to the association, it shall not be lawful for the association suffering the same to pay out any of its notes, discount any notes or bills, or otherwise prosecute the business of banking, except to receive and safely keep money belonging to it, and to deliver special deposits: *Provided*, That if satisfactory proof be produced, to such notary public, that the payment of any such notes is restrained, by order of any court of competent jurisdiction, such notary public shall not protest the same; and when the holder of such notes shall cause more than one note or package to be protested on the same day, he shall not receive pay for more than one protest.

Sec. 47. *And be it further enacted*. That on receiving notice that any such association has failed to redeem any of its circulating notes, as specified in the next preceding section, the Comptroller of the Currency, with the concurrence of the Secretary of the Treasury, may appoint a special agent (of whose appointment immediate notice shall be given to such association,) who shall immediately proceed to ascertain whether such association has refused to pay its circulating notes in the lawful money of the United States, when demanded as aforesaid, and report to the Comptroller the fact so ascertained; and if, from such protest, or the report so made, the Comptroller shall be satisfied that such association has refused to pay its circulating notes, as aforesaid, and is in default, he shall, within thirty days after he shall have received notice of such failure, declare the United States bonds and securities pledged by such association, forfeited to

the United States, and the same shall thereupon be forfeited accordingly. And the Comptroller shall immediately give notice, in such manner as the Secretary of the Treasury shall, by general rules or otherwise, direct, to the holders of the circulating notes of such association, to present them for payment at the Treasury of the United States, and the same shall be paid, as presented, in lawful money of the United States; whereupon said Comptroller may, in his discretion, cancel an amount of bonds, pledged by such association, equal, at current market rates, not exceeding par, to the notes paid. And it shall be lawful for the Secretary of the Treasury, from time to time, to make such regulations respecting the disposition to be made of such circulating notes after presentation thereof for payment as aforesaid, and respecting the perpetuation of the evidence of the payment thereof, as may seem to him proper; but all such notes on being paid, shall be cancelled. And for any deficiency in the proceeds of the bonds pledged by such association, when disposed of as hereinafter specified, to reimburse to the United States the amount so expended in paying the circulating notes of such association; the United States shall have a first and paremount lien upon all the assets of such association, and such deficiency shall be made good out of such assets, in preference to any and all other claims whatsoever, except the necessary costs and expenses of administering the same.

Sec 48. *And be it further enacted*, That whenever the Comptroller shall become satisfied, as in the last preceding section specified, that any association has refused to pay its circulating notes, as therein mentioned, he may, instead of cancelling the United States bonds pledged by such association, as provided in the next preceding section, cause so much of them as may be necessary to redeem the outstanding circulating notes of such association, to be sold at public auction in the city of New York, after giving thirty days' notice of such sale to such association.

Sec. 49. *And be it further enacted*, That the Comptroller of the Currency may, if he shall be of opinion that the interests of the United States will be best promoted thereby, sell, at private sale, any of the bonds pledged by such association, and receive therefor either money or the circulating notes of such failing association: *Provided*, That no such bonds shall be sold by private sale for less than par, nor less than the market values thereof at the time of sale: *And provided further*, That no sales of any such bonds, either public or private, shall be complete until the transfer thereof shall have been made, with the formalities prescribed in this act.

Sec. 50. *And be it further enacted*, That on becoming satisfied, as specified in this act, that any association has refused to pay its circulating notes, as therein mentioned, and is in default, the Comptroller of the Currency may, forthwith, appoint a receiver, and require of him such bond and security as he shall deem proper, who, under the direction of the Comptroller, shall take possession of the books, records, and assets of every description of such association, collect all debts due, and claims belonging to, such association, and, upon the order of a court of record, of competent jurisdiction, may sell or compound all bad or doubtful debts, and, on a like order, sell all the real and personal property of such association, on such terms as the court shall direct; and may, if necessary to pay the debts of such association, enforce the individual liability of the

stockholders, provided for by the twelfth section of this act; and such receiver shall pay over all money so made to the Treasurer of the United States, subject to the order of the Comptroller of the Currency, and also make report to the Comptroller of the Currency of all his acts and proceedings. The Comptroller shall thereupon cause notice to be given, by advertisement in such newspapers as he may direct, for three consecutive months, calling on all persons who may have claims against such association to present the same, and to make legal proof thereof. And, from time to time, the Comptroller, after full provision shall have been first made for refunding to the United States any such defficiency in redeeming the notes of such association as is mentioned in this act, shall make a ratable dividend of the money so paid over to him by such receiver on all such claims as may have been proved to his satisfaction or adjudicated in a court of competent jurisdiction; and, from time to time, as the proceeds of the assets of such association shall be paid over to him, he shall make further dividends, as aforesaid, on all claims previously proved or adjudicated; and the remainder of such proceeds, if any, shall be paid over to the shareholders of such association, or their legal representatives, in proportion to the stock by them respectively held: *Provided, however*, That if such association, against which proceedings have been so instituted, on acount of any alleged refusal to redeem its circulating notes, as aforesaid, shall deny having failed to do so, such association may, at any time within ten days after such association shall have been notified of the appointment of an agent, as provided in this act, apply to the nearest circuit, or district, or territorial court of the United States, to enjoin further proceedings in the premises; and such court, after citing the Comptroller of the Currency, to show cause why further proceedings should not be enjoined, and after the decision of the court, or finding of a jury, that such association has not refused to redeem its circulating notes, when legally presented, in the lawful money of the United States, shall make an order enjoining the Comptroller, and any receiver acting under his direction, from all further proceedings on account of such alleged refusal.

Sec. 51. *And be it further enacted*, That all fees for protesting the notes issued by any such banking association, shall be paid by the person procuring the protest to be made, and such banking association shall be liable therefor; but no part of the bonds pledged by such banking association, as aforesaid, shall be applied to the payment of such fees. And all expenses of any preliminary or other examinations into the condition of any association shall be paid by such association; and all expenses of any receivership, shall be paid out of the assets of such association before distribution of the proceeds thereof.

Sec. 52. *And be it further enacted*, That all transfer of the notes, bonds, bills of exchange, and other evidences of debt, owing to any association, or of deposits to its credit; all assignments of mortgages, sureties on real estate, or of judgments or decrees in its favor; all deposits of money, bullion, or other valuable thing for its use, or for the use of any of its shareholders or creditors; and all payments of money to either, made after the commission of an act of insolvency, or in contemplation thereof, with a view to prevent the application of its assets in the manner prescribed by this act, or with a view to the preference of one creditor to another, except in payment of its circulating notes, shall be utterly null and void.

Sec. 53. *And be it further enacted*, That if the directors of any association shall knowingly violate, or knowingly permit any of the officers, agents, or servants of the association to violate any of the provisions of this act, all the rights, privileges, and franchises of the association derived from this act shall be thereby forfeited. Such violation shall, however, be determined and adjudged by a proper circuit, district, or territorial court of the United States, in a suit brought for that purpose by the Comptroller of the Currency, in his own name, before the association shall be declared dissolved. And in case of such violation, every director who participated in, or assented to the same, shall be held liable in his personal and individual capacity for all damages which the association, its shareholders, or any other person, shall have sustained in consequence of such violation.

Sec. 54. *And be it further enacted*, That the Comptroller of the Currency, with the approbation of the Secretary of the Treasury, as often as shall be deemed necessary or proper, shall appoint a suitable person or persons to make an examination of the affairs of every banking association; which person shall not be a director or other officer in any association whose affairs he shall be appointed to examine, and who shall have power to make a thorough examination into all the affairs of the association, and, in doing so, to examine any of the officers and agents thereof, on oath; and shall make a full and detailed report of the condition of the association to the Comptroller. And the association shall not be subject to any other visitorial powers than such as are authorized by this act, except such as are vested in the several courts of law and chancery. And every person appointed to make such examination shall receive for his services at the rate of five dollars for each day by him employed in such examination, and two dollars for every twenty-five miles he shall necessarily travel in the performance of his duty, which shall be paid by the association by him examined.

Sec. 55. *And be it further enacted*, That every president, director, cashier, teller, clerk, or agent of any association, who shall embezzle, abstract, or wilfully misapply, any of the moneys, funds, or credits of the association, or shall, without authority from the directors, issue, or put in circulation, any of the notes of the association, or shall, without such authority, issue, or put forth, any certificate of deposit, draw any order or bill of exchange, make any acceptance, assign any note, bond, draft, bill of exchange, mortgage, judgment, or decree, or shall make any false entry in any book, report, or statement of the association, with intent, in either case, to injure or defraud the association, or any other company, body politic or corporate, or any individual person, or to deceive any officer of the association, or any agent appointed to examine the affairs of any such association, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by imprisonment not less than five nor more than ten years.

Sec. 56. *And be it further enacted*, That all suits and proceedings arising out of the provisions of this act, in which the United States, or its officers, or agents shall be parties, shall be conducted by the district attorneys of the several districts, under the direction or supervision of the Solicitor of the Treasury.

Sec. 57. *And be it further enacted*, That suits, actions, and proceedings against any association under this act, may be had in any circuit, district, or

territorial court of the United States, held within the district in which such association may be established; or in any State, county, or municiple court, in the county or city in which said association is located, having jurisdiction in similar cases: *Provided, however*, That all proceedings to enjoin the Comptroller under this act shall be had in a circuit, district, or territorial court of the United States, held in the district in which the association is located.

Sec. 58. *And be it further enacted*, That every person who shall mutilate, cut, deface, disfigure, or perforate with holes, or shall unite or cement together, or do any other thing to any bank bill, draft, note, or other evidence of debt, issued by any such association, or shall cause, or procure the same to be done, with intent to render such bank bill, draft, note, or other evidence of debt, unfit to be reissued by said association, shall, upon conviction, forfeit fifty dollars to the association who shall be injured thereby, to be recovered by action in any court having jurisdiction.

Sec. 59. *And be it further enacted*, That if any person shall falsely make, forge, or counterfeit, or cause, or procure to be made, forged, or counterfeited, or willingly aid, or assist in falsely making, forging, or counterfeiting, any note, in imitation of, or purporting to be in imitation of, the circulating notes issued under the provisions of this act, or shall pass, utter or publish, or attempt to pass, utter, or publish, any false, forged, or counterfeited note, purporting to be issued by any association doing a banking business under the provisions of this act, knowing the same to be falsely made, forged, or counterfeited, or shall falsely altar, or cause or procure to be falsely altered, or willingly aid or assist in falsely altering, any such circulating notes, issued as aforesaid, or shall pass, utter, or publish, or attempt to pass, utter, or publish, as true, any falsely altered, or spurious circulating note, issued, or purporting to have been issued, as aforesaid, knowing the same to be falsely altered, or spurious, every such person shall be deemed and adjudged guilty of felony, and, being thereof convicted, by due course of law, shall be sentenced to be imprisoned and kept at hard labor for a period of not less than five years, nor more than fifteen years, and fined in a sum not exceeding one thousand dollars.

Sec. 60. *And be it further enacted*, That if any person shall make or engrave, or cause or procure to be made or engravd, or shall have in his custody or possession, any plate, die, or block, after the similitude, of any plate, die, or block, from which any circulating notes, issued as aforesaid, shall have been prepared or printed, with intent to use such plate, die, or block, or cause or suffer the same to be used, in forging or counterfeiting any of the notes issued as aforesaid, or shall have in his custody or possession any blank note, or notes engraved and printed after the similitude of any notes issued as aforesaid, with intent to use such blanks, or cause or suffer the same to be used, in forging or counterfeiting any of the notes issued as aforesaid, or shall have in his custody or possession any paper adapted to the making of such notes, and similar to the paper upon which any such notes shall have been issued, with intent to use such paper, or cause or suffer the same to be used, in forging or counterfeiting any of the notes issued as aforesaid, every such person, being thereof convicted by due course of law, shall be sentenced to be imprisoned and kept to hard labor for a term not less than five or more than fifteen years, and fined in a sum not exceeding one thousand dollars.

Sec. 61. *And be it further enacted*, That it shall be the duty of the Comptroller of the Currency to report annually to Congress, at the commencement of its session:

First. A summary of the state and condition of every association from whom reports have been received the preceding year, at the several dates to which such reports refer, with an abstract of the whole amount of banking capital returned by them, of the whole amount of their debts and liabilities, the amount of circulating notes outstanding, and the total amount of means and resources, specifying the amount of lawful money held by them at the times of their several returns, and such other information in relation to said association as, in his judgment, may be useful.

Second. A statement of the associations whose business has been closed during the year, with the amount of their circulation redeemed, and the amount outstanding.

Third. Any amendment to the laws relative to banking by which the system may be improved, and the security of the holders of its notes and other creditors may be increased.

Fourth. The names and compensation of the clerks employed by him, and the whole amount of the expenses of the banking department during the year. And such report shall be made by or before the first day of December in each year, and the usual number of copies, for the use of the Senate and House, and one thousand copies for the use of the Department, shall be printed by the public printer, and in rediness for distribution at the first meeting of Congress.

Sec. 62. *And be it further enacted*, That the act entitled "an act to provide a national currency, secured by a pledge of the United States' stocks, and to provide for the circulation and redemption thereof," approved February 25th, 1863, is hereby repealed: *Provided*, That such repeal shall not affect any appointment made, acts done, or proceedings had, or the organization, acts, or proceedings of any association organized, or in the process of organization, under the act aforesaid: *And provided, also*, That all such associations so organized, or in process of organization, shall enjoy all the rights and privileges granted, and be subject to all the duties, liabilities, and restrictions imposed by this act, and, with the approval of the Comptroller of the Currency, in lieu of the name specified in their respective organization certificates, may take any other name preferred by them and duly certified to the Comptroller, without prejudice to any right acquired under this act, or under the act hereby repealed; but no such change shall be made after six months from the passage of this act: *Provided, also*, That the circulation issued or to be issued by such association shall be considered as a part of the circulation provided for in this act.

Sec. 63. *And be it further enacted*, That persons holding stock, as executors, administrators, guardians, and trustees, shall not be personally subject to any liabilities as stockholders; but the estates and funds in their hands, shall be liable in like manner, and to the same extent, as the testator, intestate, ward, or person interested in said trust funds would be if they were respectively living and competent to act and hold the stock in their own names.

Sec. 64. *And be it further enacted*, That Congress may at any time amend, alter, or repeal this act. —Approved, June 3, 1864.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

THE NEW NATIONAL BANK LAW, A GREAT IMPROVEMENT ON THE OLD LAW; NUMBER OF THESE BANKS IN EACH STATE—WILL NOT INCREASE MUCH IN THE FUTURE—PUBLIC DEPOSITS IN, AND CIRCULTION OF NATIONAL BANKS—CIRCULATION OF STATE BANKS IN THE THREE CITIES—EFFECT OF MONEY MARKET ON THE CIRCULATION OF THE BANKS—BANK RETURNS OF THE THREE CITIES—CIRCULARS FROM THE CURRENCY BUREAU RESPECTING THE REDEMPTION OF NATIONAL BANK NOTES, AND THE TRANSFER OF UNITED STATES BONDS—FINANCIAL AFFAIRS IN ENGLAND—STATE OF THE MONEY MARKET—RETURNS OF THE BANK OF ENGLAND AND THE SAVINGS' BANKS—STATE OF CIRCULATION IN THE UNITED KINGDOM—BANK OF FRANCE RETURNS.

We devote a large part of our space this month to the new United States Banking Law. An examination of its leading features will convince our readers that it is, in many respects, a great improvement on the proposed law, and also on the act of last session. For all the evil that has been taken from it, and all the good there is in it, we are devoutly thankful. It now becomes necessary that these banks should give security for the public monies received; and, further, that such as are organized in St. Louis, Louisville, Chicago, Detroit, Milwaukie, New Orleans, Cincinnati, Cleveland, Pittsburgh, Baltimore, Philadelphia, Boston, Albany, Leavenworth, San Francisco, and Washington, shall redeem their currency at par in New York city, and associations organized elsewhere shall redeem either in one of said cities or in New York. The bill also provides that these National Banks shall be liable to State taxation, and subject to the laws of the State in which they are situated, in respect to the interest they may charge. These provisions certainly remove some of the most objectionable features of the system, and we believe a little more discussion of the merits, or rather demerits, of the act, and a little more experience of its workings, will convince all that government has certainly nothing to gain, but everything to lose, by encouraging the formation of National Banks at such a time as this.

As to the individuals who are engaged in organizing them, we think they show great courage, and fear they will experience little but disappointment. Organising any bank, at a time when there is no legitimate bank business for even the old institutions, would be considered by most a little imprudent. But when we remember that the profits of these national associations depend entirely on government business, that the capital they are banking on is made up of values greatly inflated; that a point in the future must be reached, and not far distant, where these values must be reduced to their proper limits, we cannot but feel that they are very far from having a safe and quiet sea to sail upon. As the Secretary of the Treasury has resigned possibly these new lights may be quickly snuffed out by a repeal of the act itself.

But even as the law now stands the provisions which we have referred to above have taken from these banks the chief privileges and advantages given them before. Their only hope of success was founded upon the destruction of the State institutions, and the Secretary, therefore, freely expressed his determination to ruin the State Banks, that the National Banks might be built up. Congress, however, did not sympathize with him in his crusade, and so passed the law in the form we now have it. Thus these new banks have received a great check,

and, hereafter, they will form a less conspicuous feature in the financial affairs of the country.

The following table gives a statement of the number and aggregate capital of the new National Banks in each State on the 27th of May:

	Banks.	Capital.		Banks.	Capital.
Connecticut	18	$2,685,000	New Jersey	10	$1,460,000
Illinois	26	2,155,000	New Hampshire	4	4,450,000
Indiana	30	2,909,500	Nabraska	1	50,000
Iowa	17	1,035,000	Ohio	77	8,318,400
Kentucky	1	110,000	Pennsylvania	77	8,118,400
Kansas	1	100,000	Rhode Island	1	200,000
Louisiana	1	500,000	Tennessee	3	300,000
Missouri	5	1,510,000	Vermont	7	960,000
Minnesota	1	250,000	Virginia	1	100,000
Massachusetts	31	8,486,000	Wieconsin	13	875,000
Maine	13	1,175,000	W. Virginia	2	150,000
Michigan	15	1,325,000	Dist. of Col	1	500,000
Maryland	4	1,610,000			
New York, City	11	9,925,000	Total	440	$60,796,300
New York, State	74	5,545,090			

The number now increases very slowly. One great inducement for their establishment, as we have already stated, was the use of the public money; but now the provision of law requiring security to be given makes this privilege less agreeable, and, besides, this using government funds has been found to be extra hazardous. The exigencies of the public service require the money at times to be suddenly drawn down very close, and this is incompatible with the use of it to any great extent. The only safe use the public money can be put to is to lend it at call, or, in other words, to promote speculation that may be suddenly destroyed to the great loss of the banks.

The clause in the new bill in relation to compelling the national banks to redeem their notes at commercial centres seems to have grown out of the necessities of the case. There is very little general business done by means of bank facilities. Almost all business is done now on a cash basis. The government supplies are however furnished by dealers who do not get their money promptly from the department, and therefore require discounts from the banks. Then when they get their pay it is in drafts on national banks. These banks attempted to make payment in the uncurrent notes of national banks at a distance, a proceeding which the old banks very properly resented. To remedy this the new loan makes the national banks keep their notes at par. In relation to this a correspondence took place between the Comptroller and a national bank, in which the Comptroller wrote the following letter:

TREASURY DEPARTMENT, Office of the Comptroller of the Currency, WASHINGTON, May 28, 1864.

DEAR SIR:

Your favor of the 27th inst. is received. I am acting in an executive, and not in a judicial capacity; but I have no hesitation in giving my opinion upon the point presented by you, which opinion is, that Government depositaries, whether they are Assistant Treasurers or National Banks, have the right to pay Government drafts, by whomsoever held, in the kind of currency which is receivable for Government dues, and by which Government obligations can be discharged.

The Government is bound to receive in payment of all its dues, except duties on imports, the notes of the national banks. A draft of the Government upon a national

bank is clearly payable to the *Government* in the national currency, and I have yet to learn that the negotiation of a draft changes its character or the obligation of the payer.

Very truly yours,
H. McCULLOCH,
Comptroller.

The circulation of the national banks is not officially published, although the law requires peremptorily that the returns shall be given to the public quarterly. The amount is stated semi-officially at $35,000,000, which is probably the full amount that the existing capital will authorize, and there is now not much prospect that the amount will be increased to any considerable extent. The old institutions are generally curtailing their circulations. The banks of the three cities had out as follows:

	April 25.	June 20.	Decrease.
Boston	$10,938,995	$8,983,121	$1,955,870
Philadelphia	2,253,386	2,074,273	179,113
New York	5,679,947	4,807,195	872,552
Decrease	$28,872,124	$15,864,589	$3,007,525

This is a very rapid curtailment, but has in the general volume of the circulation been more than compensated by the paper pushed out by the national banks during the same time, consequently the effect upon the general depreciation has not been felt. The circulation of the old banks in the interior presents a similar course of contraction, prompted perhaps to some extent by the clause in the new loan bill for the fiscal year, 1865, authorizing a new issue of notes legal tender except for customs and interest and the redemption of bank notes. The changing character of the money market has however more or less influence upon the volume of bank circulation. Thus if we turn to the weekly bank returns hereto annexed we find that when money was very dear early in January the Boston bank circulation ran up to $10,185,615; as money became plenty under the last issues of government legal tender, it ran down to $9,210,000 March 28; under the sales of gold, and the efforts of the Treasury to break the market, money became very dear in April, and the bank circulation ran up to $10,938,991, and again fell ten per cent under the returning ease of June. Thus it is evident that the banks when money is dear and in much demand, avail themselves of that circumstance to swell their profits. The effect of the issues of government money and of national bank notes is to cause a great rise in prices, and this reacts upon the demand for money, because if the price of any commodity doubles it will require double the amount of money to move the same quantity. The old banks are therefore called upon for more circulation, and the whole volume of paper thus swells without there being in reality any more money. It is only a mode of getting more interest for the same loan. Thus if one thousand barrels of flour are sold for $5,000, and the note is discounted at six per cent, the interest for ninety days is 7½ cents per barrel. If the price in paper rises to $10,000, and the note is discounted at six per cent, the interest is 15 cents per barrel, which rise redounds to the profit of the bank.

The returns of the New York banks weekly show a remarkable change in the last month arising from the joint operation of the loan bill and the gold law, both of which promoted an extraordinary demand for legal tenders and power-

fully reduced the bank deposits. The latter, which had risen from 130 millions Jan. 23 to 174 millions May 14, and to 175¼ millions June 4, were contracted 16 millions in three weeks. The returns are as follows:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $————; *Jan.*, 1863, $69,494,577.)

Date.	Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
January 2,..	$174,714,465	$25,161,935	$6,103,331	$140,250,856	$300,758,147
" 9,..	173,009,701	25,122,002	6,039,546	134,861,977	387,546,217
" 16,..	165,991,170	23,884,264	6,008,182	130,311,046	416,962,806
" 23,..	162,925,880	24,077,513	5,049,807	130,136,203	460,811,543
" 30,..	162,296,896	24,203,632	5,913,558	130,665,415	427,306,608
February 6,..	163,076,846	24,070,791	5,974,762	133,849,042	425,430,935
" 13,..	165,090,329	23,521,453	5,916,707	140,464,616	467,751,745
" 20,..	168,302,935	22,523,918	5,908,394	148,014,106	514,887,411
" 27,..	174,928,205	22,301,687	5,907,851	154,875,059	575,442,304
March 5,..	182,317,378	21,188,034	5,937,167	158,999,668	518,951,433
" 12,..	189,757,746	20,750,405	5,918,807	168,044,977	688,822,278
" 19,..	198,229,513	21,059,542	5,889,197	169,637,975	618,338,853
" 26,..	199,372,437	20,425,504	5,514,139	168,315,904	576,253,989
April 2,..	203,998,131	19,526,665	5,708,908	171,151,297	676,872,745
" 9,..	204,333,192	20,924,287	5,804,511	170,513,020	658,352,112
" 16,..	198,703,699	21,687,670	5,779,650	168,350,790	646,593,643
" 23,..	196,286,722	24,868,003	5,679,947	161,978,166	672,442,840
" 30,..	194,157,495	24,087,343	5,626,978	164,578,919	446,587,420
May 7,..	192881,246	23,082,028	5,594,832	168,562,197	410,052,013
" 14,..	194,178,921	22,635,155	5,482,357	174,426,682	413,552,127
" 21,..	197,356,939	22,091,691	5,367,355	173,111,884	486,884,114
" 28,..	195,813,462	21,973,180	5,240,812	171,765,696	410,972,193
June 4,..	196,740,609	22,461,604	5,180,659	174,516,367	477,648,207
" 11,..	194,935,822	24,041,704	5,049,457	172,537,248	445,519,165
" 18,..	195,773,583	22,916,291	4,959,096	169,445,767	431,158,427
" 25,..	197,077,002	22,000,988	4,807,195	158,772,982	412,840,362

The specie in the banks was maintained by the payments from the Treasury under the order to advance the July interest. The loans comprise mostly transactions with the government either directly or indirectly and do not much vary in amount, although they do in character from time to time. The column of clearings shows an extraordinary diminution in the volume of the bank transactions. This is due mostly to the decline in stock speculations and in the prices.

The returns of the Boston and Philadelphia banks are as follows:

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $33,231,700; *Jan.*, 1862, $33,231,700.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks
Jan. 4,..	$76,805,343	$7,502,889	$9,625,043	$32,525,679	$12,831,000	$12,851,500
" 11,..	77,747,734	7,531,195	10,185,615	31,524,185	12,703,600	11,019,000
" 18,..	75,877,427	7,464,511	9,963,389	31,151,210	12,041,000	11,769,000
" 25,..	74,146,000	7,440,000	9,729,000	30,893,000	11,106,700	12,227,000
Feb 1,..	73,959,175	7,385,413	9,660,163	30,655,782	10,825,000	11,854,500
" 8,..	71,765,122	7,265,104	9,579,020	30,030,292	11,315,000	12,272,000
" 15,..	71,088,849	7,224,924	9,741,471	30,412,647	11,615,000	13,448,000
" 22,..	71,074,000	7,215,500	9,411,000	31,831,000	11,329,600	14,925,400
" 29,..	72,189,003	7,179,310	9,371,440	33,155,888	12,224,603	16,189,724
Mar. 7,..	72,687,363	7,108,519	9,606,318	33,688,017	12,313,829	16,535,992
" 14,..	72,105,111	7,052,181	9,490,311	33,891,204	12,704,181	17,315,231
" 21,..	73,207,121	7,033,721	9,548,211	35,090,181	13,092,531	17,266,741
" 28,..	73,485,514	7,016,086	9,210,096	34,859,508	13,352,706	17,071,783
April 4,..	71,838,506	6,856,708	9,442,082	32,861,609	13,601,005	15,786,091

" 11,..	72,620,348	6,932,192	10,447,916	33,324,978	15,094,360	17,362,371
" 18,..	72,328,396	6,869,726	10,331,806	33,510,054	14,447,997	17,054,244
" 25,..	72,538,611	6,952,498	10,938,991	31,810,971	14,715,981	15,790,498
May 2,..	71,270,181	6,642,798	10,127,097	31,461,499	14,206,581	14,206,592
" 9,..	69,471,481	6,716,484	10,821,591	31,172,584	12,801,000	16,239,000
" 16,..	68,888,581	6,644,493	10,126,473	31,633,071	12,500,671	16,201,083
" 23,..	66,683,510	6,573,181	9,899,193	30,605,131	11,871,719	15,733,691
" 30,..	69,201,301	6,541,201	9,681,204	34,391,206	11,101,307	15,925,201
June 7,..	67,093,500	6,509,181	9,160,621	32,771,821	10,875,181	16,130,720
" 14,..	67,942,400	6,524,207	8,771,181	33,305,220	10,710,089	15,067,181
" 21,..	68,880,121	6,507,021	8,933,121	32,740,201	11,681,602	14,790,012

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1862, $11,970,130.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,...	$35,698,808	$4,153,585	$2,055,811	$29,878,920	$4,316,763	$2,963,563
" 11,...	35,458,967	4,158,235	2,050,891	30,484,227	4,001,478	2,814,188
" 18,...	34,896,842	4,158,125	2,044,427	31,194,851	4,330,120	3,063,148
" 25,...	34,849,959	4,103,065	2,047,846	32,354,253	3,500,693	2,905,921
Feb. 1,...	34,345,126	4,108,109	2,056,532	32,027,147	3,453,431	3,271,306
" 8,...	34,146,677	4,102,671	2,066,069	31,033,030	4,080,059	2,461,873
" 15,...	34,590,880	4,102,748	2,069,061	29,911,704	4,322,609	2,080,750
" 22,...	35,059,676	4,102,588	2,119,488	30,783,741	4,463,751	2,099,778
" 29,...	35,519,704	4,102,848	2,167,348	31,435,753	4,837,264	2,114,227
Mar. 7,...	35,913,334	4,102,632	2,208,492	31,712,547	5,323,316	2,116,042
Mar. 14,...	35,956,678	4,099,707	2,308,250	32,511,405	5,508,146	2,383,819
" 21,...	36,412,923	4,099,664	2,340,182	32,835,038	6,933,974	2,428,227
" 29,...	36,695,415	4,096,401	2,357,768	33,156,496	5,791,191	2,724,935
April 4,...	37,262,220	4,095,495	2,390,092	34,404,607	5,641,638	3,425,805
" 11,...	37,032,110	4,093,461	2,379,827	35,958,444	5,855,277	3,799,151
" 18,...	39,535,334	4,095,387	2,329,590	33,174,046	5,748,257	3,291,176
" 25,...	39,570,567	4,095,475	2,253,386	37,393,247	6,067,966	2,592,465
May 2,...	39,770,436	3,972 349	2,241,885	37,758,836	6,374,531	2,730,540
" 9,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 16,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,853,894
" 23,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 30,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,853,894
June 7,...	39,723,493	3,694,320	2,100,927	38,249,800	5,993,116	3,186,259
" 14,...	40,286,433	3,964,758	2,077,753	38,367,171	5,930,707	3,007,283
" 21,...	40,286,488	3,964,529	2,074,273	37,588,203	6,403,664	2,998,548

The following circulars have been issued from the Currency Bureau at Washington:

TREASURY DEPARTMENT, Office of the Comptroller of the Currency, WASHINGTON, June —, 1864.

Sections 31 and 32 of the National Currency Act, approved June 3, 1864, provide that every association in the cities of St. Louis, Louisville, Chicago, Detroit, Milwaukee, New Orleans, Cincinnati, Cleveland, Pittsburgh, Baltimore, Philadelphia, Boston, Albany, Leavenworth, San Francisco, and Washington, D. C., shall select, subject to the approval of the Comptroller of the Currency, an association in the city of New York, at which it will redeem its circulating notes at par; and that every association not organized in either of the aforesaid cities shall select, subject to the approval of the Comptroller of the Currency, an association in one of the aforesaid cities, or in the City of New York, at which it will redeem its circulating notes at par.

Be kind enough to advise me, at your earliest convenience, at what National Bank under the provisions of said sections your Bank proposes to redeem its circulating notes.

HUGH MCCULLOCH,

Comptroller of the Currency.

TREASURY DEPARTMENT, Office of Comptroller of the Currency,
Washington, June —, 1864.

Banks that desire to have coupon bonds converted into registered bonds, in order that the same may be deposited to secure the redemption of the circulating notes, should address a letter to the Secretary of the Treasury, giving a description of the bonds, which they desire to have exchanged for registered bonds, requesting the exchange to be made, and directing that the new bonds be issued to "the Treasurer of the United States, in trust" for the bank to whose credit the deposit is to be made, and also directing where the interest on the bonds shall be made payable, and authorizing the delivery of the bonds to the Comptroller of the Currency, that he may sign the memorandum required by law to be placed on them, and deposit them with the Treasurer.

The receipt of the Treasurer for the bonds will be forwarded to the bank as soon as the exchange can be effected, and the deposit with him made.

This circular refers only to bonds to be deposited and not to those already on deposit.

HUGH MCCULLOCH,
Comptroller of the Currency.

The state of money affairs in England and on the continent had, at the date of our last number, caused a rise of the minimum rate of the Bank of England to nine per cent. This rate, apparently sufficed to cause a turn in the direction of money investments, and the current of money set rapidly again towards England, inducing a reduction of the rate to eight, and, on the following day, to seven per cent. The rule of action for the bank is to raise the rate of interest when the reserve of notes and coin in the banking departmett falls below one-third of the liabilities, and to reduce it again when the reserve shall have again attained the proportion of one-third. In illustration of this operation, we give the reserve and liabilities at several periods:

	April 12.	May 11.	June 1.	June 8.
Deposits, public	£5,787,329	£7,299,494	£3,286,719	£8,748,510
" private	13,684,069	12,901,160	12,493,776	11,966,204
Seven days, &c. bills	531,108	520,137	459,495	494,285
Total liabilities	£20,002,506	£20,720,791	£21,239,970	£21,208,999
Reserve	6,251,627	6,396,401	7,815,326	8,421,009
Deficit	£415,855	£510,529		
Excess			£735,336	£1,352,321
Rate of interest	7	9	7	7

Thus the successive advance of the rate, from six to seven to eight, did not have the effect, but when the rate reached nine per cent the effect upon investments became apparent; the private deposits had declined, but the reserve of notes and coin had, from a deficit of £510,527 on the requisit reserve, risen to an excess of £735,336; hence the rate was put down to seven per cent. When the current of money has started in one direction, perhaps, under the spur of low interest, it is difficult to arrest enterprises all at once, or to check the fulfilment of engagements entered into, or induce those on the continent and elsewhere to withdraw investments from low rates and transfer them to the new rates. But when the rates are so advanced as to effect this, however, the current runs in the new direction for some time. The following are the returns of the bank:

THE BANK OF ENGLAND RETURNS.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 2,...	21,685,732	7,234,894	12,924,545	31,980,889	13,048,475	8 per ct
" 9,...	20,801,207	8,629,856	12,981,276	32,622,659	13,008,617	8 "
" 16,...	20,382,764	9,103,738	13,265,068	32,308,049	13,675,474	7 "
" 23,...	20,273,799	10,266,546	12,711,637	32,270,286	14,217,067	7 "
" 30,...	20,666,538	10,841,991	13,021,212	33,488,154	14,362,605	7 "
Jan. 6, '64	21,322,304	10,001,982	13,052,604	33,486,952	14,196,754	7 "
" 13,...	21,396,420	5,264,097	15,411,794	31,726,575	11,708,597	7 "
" 20,...	21,445,793	5,689,074	13,879,877	31,445,860	12,974,109	8 "
" 27,...	20,875,825	6,337,246	13,406,627	31,017,449	13,022,220	8 "
Feb. 3,...	21,162,626	6,748,867	13,372,981	31,436,334	13,303,243	8 "
" 10,...	20,708,113	7,254,682	12,882,226	30,925,317	13,472,271	7 "
" 17,...	20,696,172	7,079,789	13,306,156	31,078,328	13,583,635	7 "
" 24,...	20,207,871	8,153,601	12,426,673	30,504,827	13,819,412	6 "
March 2,...	20,840,374	7,893,633	13,541,278	31,980,446	14,034,222	6 "
" 9,...	20,563,325	8,863,864	12,434,975	31,769,811	13,884,389	6 "
" 16,...	20,333,112	8,570,711	13,105,800	31,929,164	13,916,943	6 "
" 23,...	20,366,705	9,841,323	12,480,154	32,112,543	14,499,201	6 "
" 30,...	20,908,644	10,280,458	12,658,986	33,472,484	14,163,519	6 "
April 6,...	€1,528,914	9,818,880	13,348,299	34,223,509	13,616,762	6 "
" 12,...	21,785,597	5,929,922	13,586,029	31,385,305	13,080,300	6 "
" 20,...	21,672,783	5,787,329	13,684,069	31,596,179	12,743,302	7 "
" 27,...	21,484,602	6,217,965	12,620,036	30,961,635	12,567,776	7 "
May 4,...	22,045,792	6,981,132	12,278,903	32,070,427	12,454,244	9 "
" 11,...	21,478,987	7,299,434	12,901,160	32,239,210	12,705,251	9 "
" 18,...	21,313,352	7,568,661	12,962,402	31,855,696	13,267,416	8 "
" 25,...	20,868,047	7,971,003	12,882,042	31,297,181	13,718,943	7 "
June 1....	21,246,840	8,286,719	12,493,776	31,329,121	14,052,761	7 "

The bullion in bank has risen from £12,454,000 May 4, to £14,052,000 June 1, £1,600.000 a £8,000,000 in thirty days. The strength of the bank is not so much in the actual figures as in the direction of the current at that juncture when there was prospects of a further reduction of the rate of interest.

The houses of Barring Bros., and Anthony Gibbs & Sons, discounted $10,000,000 for the Bank of Madrid ; a portion of this was shipped in specie, and caused some demand for gold, which checked the movement of the bank for the moment, but the rate was soon after put down to six per cent.

The following return shows the amount deposited in the savings' banks and post office savings' banks in the United Kingdom, by the Commisioners for the Reduction of the National Debt :

Total amount on March 26, 1864, at the credit of—			
The Fund for the Banks for Savings	£39,088,351	11s	5d
The Post Office Savings' Banks fund	4,315,244	15	8
Total	43,403,596	7	1
Ditto—by last monthly account	43,582,026	16	2

The following returns show the state of the note circulation of the United Kingdom during the four weeks ending April 30, 1864, compared with the previous month :

	April 2, 1864.	April 30, 1864.	Increase.	Decrease.
Bank of England	£20,035,845	£21,089,338	£1,053,492	.....
Private Banks	3,135,256	3,282,084	146,827	.....
Joint Stock Banks	2,952,159	3,043,016	90,857	.....
Total in England	26,123,161	27,414,437	1,291,176	.....

Scotland.....	3,022,138	4,037,493	115,355	.....
Ireland.....	5,533,451	5,552,441	118,990	.....
United Kingdom.....	35,578,850	37,104,371	1,525,521	.....

On comparing the above with the fixed issues of the several banks, the following is the state of the circulation :—The English private banks are below their fixed issue £983,059, the English joint stock banks are below their fixed issue £231,342 —total below fixed issue in England £1,214,401. The Scotch banks are above their fixed issue £1,288,212; the Irish banks are below their fixed issue £702,053. The average stock of bullion held by the Bank of England, in both departments, during the month ending the 27th April was £13,002,060, being a decrease of £1,108,953 as compared with the previous month, and a decrease of £2,230,119 when compared with the same period last year. The following are the amounts of specie held by the Scotch and Irish banks during the month ending the 30th of April :—Gold and silver held by the Scotch banks £2,373,390; gold and silver held by the Irish banks £1,869,319; total, £4,242,709; being a decrease of £16,488 as compared with the previous return, and a decrease of £27,474 when compared with the corresponding period last year.

The advance in the rate of interest in England early in May, caused, of course, borrowing at a lower rate on the continent for London account, and the Bank of France felt the demand in addition to its own rates, and it put the interest up to eight per cent. The re-action came as speedily, however, and it reduced its rates May 21 to seven per cent, and May 28 to six per cent. Its returns are as follows :

BANK OF FRANCE.

	Loans.	Specie.	Circulation.	Deposits.	Interest.
January	—fr.751,649,983	fr.169,027,010	fr.813,490,825	fr.159,797,667	7
February	— 705,516,796	182,573,888	775,096,775	160,110,225	7
March	— 642,135,993	195,994,738	746,610,375	142,925,719	6
April	— 643,570,276	219,320,720	759,926,425	133,701,530	6
May	— 683,332,517	242,824,609	767,443,475	178,434,305	8
June	— 577,309,524	294,892,295	725,381,925	156,685,209	6

The Bank of France is, thenceforth, to make weekly returns, like those of the Bank of England.

GOLD BILL.—OFFICIAL COPY.

THE following is an official copy of the Gold Bill passed at the first session of the thirty-eighth Congress, and approved June 17, 1864 :

[PUBLIC—NO. 104.]

AN ACT TO PROHIBIT CERTAIN SALES OF GOLD AND FOREIGN EXCHANGE.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful to make any contract for the purchase or sale and delivery of any gold coin or bullion to be delivered on any day subsequent to the day of making such contract, or for the payment of any sum, either fixed or contingent, in default of the delivery of any gold coin or bullion, or to make such contract upon any other terms than the actual delivery of such gold coin

or bullion, and the payment in full of the agreed price thereof, on the day on which such contract is made, in United States notes or national currency, and not otherwise; or to make any contract for the purchase or sale and delivery of any foreign exchange to be delivered at any time beyond ten days subsequent to the making of such contract; or for the payment of any sum, either fixed or contingent, in default of the delivery of any foreign exchange, or upon any other terms than the actual delivery of such foreign exchange within ten days from the making of such contract, and the immediate payment in full of the agreed price thereof on the day of delivery in United States notes or national currency; or to make any contract whatever for the sale and delivery of any gold coin or bullion of which the person making such contract shall not, at the time of making the same, be in actual possession. And it shall be unlawful to make any loan of money or currency not being in coin to be repaid in coin or bullion, or to make any loan of coin or bullion to be repaid in money or currency other than coin.

SEC. 2. *And be it further enacted*, That it shall be further unlawful for any banker, broker, or other person, to make any purchase or sale of any gold coin or bullion, or of any foreign exchange, or any contract for any such purchase or sale, at any other place than the ordinary place of business of either the seller or purchaser, owned or hired and occupied by him individually, or by a partnership of which he is a member.

SEC. 3. *And be it further enacted*, That all contracts made in violation of this act shall be absolutely void.

SEC. 4. *And be it further enacted*, That any person who shall violate any provisions of this act shall be held guilty of a misdemeanor, and, on conviction thereof be fined in any sum not less than one thousand dollars, nor more than ten thousand dollars, or be imprisoned for a period not less than three months nor longer than one year, or both, at the discretion of the court, and shall likewise be subject to a penalty of one thousand dollars for each offence.

SEC. 5. *And be it further enacted*, That the penalties imposed by the fourth section of this act may be recovered in an action at law in any court of record of the United States, or any court of competent jurisdiction, which action may be brought in the name of the United States by any person who will sue for said penalty, one half for the use of the United States, and the other half for the use of the person bringing such action. And the recovery and satisfaction of a judgment in any such action shall be a bar to the imposition of any fine for the same offence in any prosecution instituted subsequent to the recovery of such judgment, but shall not be a bar to the infliction of punishment by imprisonment, as provided by said fourth section.

SEC. 6. *And be it further enacted*, That all acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

Approved June 17, 1864.

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

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Very truly yours,
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THE

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AND

MERCANTILE REVIEW.

ACCORDING TO ACT OF CONGRESS IN THE YEAR 1806, BY JAMES [illegible]

[illegible] this most

[illegible] has perpetuated with [illegible] freedom. [illegible] the happiness and welfare of the people and more es-

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MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

AUGUST, 1864.

JAMES GALLATIN.

The subject of the following sketch cannot be said to be, in the common acceptation of the term, a self-made man. His father was a gentleman of high position and wealth, and the advantages, which James Gallatin thus secured, many would consider very great. In one sense they were; yet we often think that the success of such a son is more to be honored than any other—these very advantages, as they are called, being in all cases great temptations to extravagance, profligacy, and indolence, which too frequently cannot be resisted. As proof of this, look at the leading commercial men in our city at the present time; how few of them there are that were not taught their first lessons in economy, self-exertion and self dependance by their necessities! Let us remember, then, that it is really no advantage, in the battle of life to be born to wealth and station. To be sure a boy thus situated does not meet with the same kind of difficulties the poorer aspirant meets with, but, yet, he must overcome very many which weak human nature has, in this country especially, found almost insuperable. True success is, with us, alike open to all; but it requires honest, perservering effort, united with a spirit of self-denial to win the prize.

James Gallatin was born in the city of New York, December 18th, 1796. His father was Albert Gallatin, the illustrious statesman and economist, and the companion and friend of the immortal heroes and statesmen who founded the republic. The men amongst whom Albert Gallatin moved and associated, both at home and abroad, were the most distinguished that Europe or America has produced.

The Gallatin family is renowned on the continent of Europe for its antiquity; also, for the eminent services its members have rendered in the higher walks of life during several centuries, and for which they have been rewarded with patents of nobility and prominent offices. The branch of the family that the subject of our sketch descended from, although of the patrician order, preferred the free institutions of Switzerland, devoting themselves to the support of those liberal principles which that ancient republic has perpetuated with such admirable heroism. Efforts to promote the happiness and welfare of the people had more at-

traction for the GALLATINS of Switzerland, than the tinsel of royal courts. It was thus with ALBERT GALLATIN, who at the early age of eighteen was introduced to some of the reigning sovereigns of Europe by his noble relatives. He was offered high positions in military and civil service, but declined them all, deciding to cast his lot with the people of this country, in the darkest hour of our first great struggle for liberty and the rights of man. His irrepressible love of free government, inhaled with the genial air of the mountains around his native city, Geneva, triumphed over all the attractions royalty could present. There has not yet been any compilation of his life, writings, and correspondence. He died in the year 1849, at the advanced age of 89 years. Not the least noticeable characteristic of his life, was his indifference to the accumulation of a large fortune, opportunities for which were constantly presented. The late JOHN JACOB ASTOR, having had some dealings with government during his administration of the Treasury Department, was so favorably impressed with his business talents that he invited him to become a partner with him at New York, offering the most liberal terms. The invitation was declined, but the acquaintance thus formed ripened into a friendship that continued through life, and in those movements of our government for perfecting the national title to the territories on the Pacific coast, in which Mr. ASTOR's commercial enterprise, succeeding the government expedition under LEWIS and CLARKE, was so conspicuous and important, there were evidences of the intimacy of that friendship.

ALBERT GALLATIN married Miss NICHOLSON, daughter of Commodore JAMES NICHOLSON, the first on the list of American post captains, being the chief officer in command of the naval forces during the war of independence. The family of Commodore NICHOLSON has, for three generations, maintained the honor of the American naval service.

JAMES GALLATIN was named after his grandfather, the Commodore, at whose house he was born, during his mother's visit to the city of New York. He is the oldest son. ALBERT, his younger brother, has always occupied an honorable position in business and social life in this city, where he continues to reside.

In 1813, when JAMES was absorbed with his classical studies, at Mount Airy College, in Pennsylvania, he was aroused to contemplate the solemn business of life, at the early age of sixteen, by an invitation to take the situation of private secretary to his father, who had been appointed embassador to Russia. That true and ever faithful friend of America, by her Emperor, the first ALEXANDER, had tendered her mediation to put an end to the war then existing between this country and England. The New England States had been clamorous for peace; their representatives in Congress would not vote the requisite taxes for maintaining the war, and although this embarrassed the Treasury, and led to propositions for the issue of a government legal tender paper money, every temptation to interfere with the national standard of value was successfully resisted, and the wants of the government were supplied by means of interest bearing treasury notes, not made a legal tender: specie did not go to a higher premium than that corresponding with twenty-three per cent discount on bank paper, and this was only for a short time, a year or more (in 1816) after the peace, at Baltimore; the greatest discount, in this city, was also after the peace, being sixteen per cent, in October, 1815.

At sea, the American navy was pre-eminently successful, but the disaffection, so prevalent in the eastern states, rendered it extremely difficult to wage the war with energy. There was, consequently, much gloom and no little despondency among public men, as to an honorable termination of the strife. As a people, we were divided in opinion, although not conquered. It was in the midst of this gloom and this despondency, that the offer of the Emperor ALEXANDER's mediation arrived. It was accepted, of course—it was gratefully accepted. True, it was doubtless a part of the combination, that the allied powers of Europe were then forming against the encroachments of the first NAPOLEON, but as our war with England had been undertaken wholly in self-defence, without any regard to the compilations existing in Europe, the statesmen of this country, bearing always in mind the admonitions of WASHINGTON against entangling alliances, had neither interest nor desire to make us a party to the contests of European powers. They, therefore, promptly accepted the offer of the Emperor ALEXANDER, and dispatched ALBERT GALLATIN, Secretary of the Treasury, as minister plenipotentiary and envoy extraordinary to the court of the emperor. The embassy set out from this country in the spring of 1813, and JAMES, who was in his seventeenth year, accompanied it as private secretary to his father, copying dispatches and correspondence, and attending conferences. He continued to apply himself sedulously to these duties through all those negotiations, which resulted in the treaty of peace at Ghent, Dec. 24th, 1814, and the treaty with England, at London, in 1815. He was also present at the negotiations at the Hague, in 1817; and, again, at London, in 1818; and resided some years in Paris, where he completed his education.

In 1823, he returned to his native land; and in 1824, married Miss JOSEPHINE PASCAULT, one of the most beautiful ladies of America. There were three sisters. Mr. PASCAULT, their father, was a French merchant, settled in Baltimore. His elder brother had been murdered by the blacks, during the massacre in St. Domingo. The three young ladies were remarkable for their great beauty and accomplishments. They were spoken of sometimes, by their admirers, as the "Three Graces." When Prince JEROME BONAPARTE, escaping from the British fleet, sought refuge at Baltimore, one of the first to receive him as an honored guest, was Mr. PASCAULT. The prince was accompanied by a young Frenchman, General ROUBELL, as his aid; and while the former fell in love with and married Miss PATTERSON, the latter fell in love with and married one of the Miss PASCAULTS. Another of the three sisters married General COLUMBUS O'DONNELL. Mrs. GALLATIN is said to have been the most beautiful of the three, and her young husband was considered one of the handsomest men of that day. Indeed, such was his reputation in Paris, that the most fashionable tailors were constantly soliciting his patronage, and besieging the American embassy for the honor of supplying the young *Attache* with his clothing. We mention this fact, not of course because we think it of any importance in itself considered, but because it shows the temptations by which he was surrounded at that period. Self-respect, self-denial, and self-reliance are parts of that sturdy independence of character, which have always distinguished JAMES GALLATIN. It was these, as much as his excellent training, and the pure and noble example of his father, that he was indebted to for his ability to pass through

the gay scenes of the great capitals of Europe without injury, and to return to his native land to enter upon the duties of an honorable citizen.

At the time of his marriage, "the young giant of the west" was calling the young men of the older states to go out, and occupy the rich farming lands of that region. He was twenty-eight years of age, a married man, but by no means a rich man. He had passed through the highest circles of polished society abroad. His young bride had shone as "the bright particular star" in the most refined circles at home. And when Madame Rumor announced that "Mr. and Mrs. JAMES GALLATIN were going to bury themselves in the back woods," a cry of horror arose in all the leading households of Baltimore. The report was pronounced "incredible, shocking—who could believe it?" But it was nearly true. They went west. He substituted for his fine Paris suit, plain American home-made; Mrs. GALLATIN donned the homely attire of the good housewives of the new territories. He took up the business of a land surveyor, trudging through woods and swamps, measuring lands, laying out counties, townships, and villages, and marking the boundaries of farms. For eight years he worked at this business.

He was no ordinary man—they are no ordinary people—who can thus exchange the very highest intellectual pursuits, for the most severe out-door toil. But this is a characteristic of our people. "An American," as they say of us in Europe, "thinks he can do anything that any man has ever done." He might have obtained a diplomatic appointment from government, during the administrations of JOHN QUINCY ADAMS and General JACKSON, and subsequently; but it was generally understood that his father advised against it, and his own love of independence was such, that he preferred to acquire a competency by his personal exertions.

How seldom it is that the young men of our day, brought up in luxury, are willing to deny themselves in any way, or to begin where their fathers began. The same ease and abundance and gratifications they see indulged in by those, who have almost finished their course and fought the battle well, they think they too must at once enjoy. And herein arises one of the greatest evils of our time—that disposition to display and show and live beyond ones means, which we see on every side of us. Self denial now is considered a fault; prudent economy, meanness. Remember, however, that, as a general rule, a fast young man makes a very slow old one: and if you begin life in great splendor and show, ten to one you will shut your eyes, at its close, with none of life's work done, and with a large legacy of unpaid debts for your heirs. The peacock stripped of its feathers is a very ugly bird.

While JAMES GALLATIN was in the western wilds, during those eight years of hard toil, one can readily imagine the zest with which the social circle around him heard his anecdotes of the great personages and great events he had seen and passed through during his residence in Europe; and he has an admirable faculty of remembering and relating facts and incidents. He was in Paris when NAPOLEON escaped from Elba, and was introduced to the Emperor at the Tuilleries. He saw the white flag taken down and the imperial tri-color raised in its place. He saw and conversed with KOSCIUSKO.

One anecdote which he relates of NAPOLEON and BENJAMIN CONSTANT, the celebrated republican and friend of Madame DE STAEL, is worthy of

mention here. When NAPOLEON returned from Elba, CONSTANT had not time to escape from Paris before the arrival of the Emperor, and being very much alarmed for his personal safety, he sought the aid of the American Ambassador to enable him to escape from France. Mr. GALLATIN accepted the task with his usual benevolence and good feeling; and JAMES entered heartily into the movement. They hired the whole of the *diligence* for Dieppe in the name of the American Embassy, in order to get CONSTANT off without any stranger accompanying him, concealing the fugitive as well as possible in the meantime. While these efforts were being made at the Embassy, all Paris was being searched for CONSTANT, by order of the Emperor—not to take his life, but to obtain his aid in establishing a free Constitution! Poor CONSTANT, frightened almost to death, could not believe that so much good fortune had befallen him. It was not possible, he thought, for the Emperor to make such a proposal: it was only a trick of the police to catch him. But when the American Ambassador found, on enquiry at official quarters, that the report was really true, and announced it to CONSTANT, with the sanction of his high office, the joy of the distinguished republican knew no bounds. CONSTANT was taken to the palace—not to the guillotine,—was closeted with the Emperor as a friend; and it will be remembered, that the free Constitution was proposed during the hundred days.

Another anecdote, of the Emperor ALEXANDER, deserves mention here, lest it be forgotten; for it has never yet been published. When the Emperor came to London to meet the allied Sovereigns, who were all there (before the treaty of Ghent, in 1814), he insisted upon having the American Ambassador, ALBERT GALLATIN, sent for and introduced to him at the earliest moment. Mr. GALLATIN came, attended only by his son JAMES. There was a great crowd of people around the building, and the passages were densely packed with distinguished personages waiting an audience, or anxious to demonstrate their respect for the Emperor. It was so arranged that no one outside should know who the American Ambassador was, for America and England were still at war, and even a knowledge of the presence in London, of the American Ambassador to Russia, was intended to be kept from the public as much as possible. With great difficulty the Ambassador and his son reached the audience chamber, as the passages and stairway were densely packed, most of the people being ladies of the aristocratic families. The Emperor was alone. He advanced to Mr. GALLATIN the moment the latter entered the room, and seizing both his hands, grasped them ardently, saying—"I am glad to see you, my dear Mr. GALLATIN. I know you very well. I know all about you and your great country!" They had never met before. The interview was prolonged during two hours and a half. The City authorities of London had a grand banquet spread, at which the Emperor was to be present, and the guests waited anxiously for him, until, long after the appointed hour, the cause of his detention was made known. The news was spread that some eminent person and a youth were in private conversation with him; but no one knew who the two persons were. All, however, that passed at that interview is probably recorded in the archieves of Russia and America, and will, no doubt, one day be made generally known. It is enough for us now to know, that a friendship of the most substantial character exists between the two nations; and the

Emperor, a short time after that interview, demonstrated it when, hearing that England was endeavoring to exact harsh terms at the conference in Ghent, he exerted all his influence against Great Britain at the Congress in Vienna, until he had the most positive assurances, that she would make peace with America upon honorable terms. His distinguished namesake, the present Emperor, demonstrated that friendship again last winter, when, in the midst of our domestic troubles, he dispatched his fleets to rendezvous in our harbors. The interview having terminated, the American Ambassador and his son, in descending the stairs from the audience chamber, were seized upon by the crowd of ladies, who kissed the younger and kissed the hands of the elder without knowing who they were, all the time calling them "majesty," "royal highness," "your grace," &c., &c. JAMES often declared that since he left his mother's arms he had never been so caressed.

There is another anecdote which we must give, of GEORGE the Fourth and Queen CAROLINE, related by Mr. GALLATIN. He attended the opera in London the evening that the allied Sovereigns were present, with their suites and the British aristocracy. These occupied nearly the whole house, except the pit. Mr. GALLATIN was in so dense a crowd in the pit that he nearly fainted, and had to be passed over the heads of the people up to and into the boxes. GEORGE the Fourth, then Regent, and separated from his Queen, sat in one of the boxes, between two of the Sovereigns. Queen CAROLINE came in and took a seat in a box nearly opposite, when the Sovereigns rose and bowed to her. GEORGE, being tipsy, rose and bowed to her also, in full view of the whole house. The audience instantly rose and greeted him with a tremendous cheer. He was taken out between two of his household.

Having completed his surveys of the Western lands, Mr. GALLATIN returned to New York in 1833, entering into business with his brother ALBERT, as bankers. In 1839, he succeeded his father as President of the National Bank, and still continues to preside over that excellent institution.

Although most of the prominent public events in his life, since his election to the presidency of the National Bank, have related to financial affairs, he has on several occasions been brought before the public in positions where he displayed eminent abilities as an orator and a statesman. In the revulsion of 1857, he rendered efficient services in bringing about the speedy resumption of specie payments. And in the investigations, which followed that revulsion, as President of the Board of Currency, he took a leading part. He participated in all the discussions of the board, aided in drawing up several reports on the principles of banking and currency; and delivered a public address at the hall of the Historical Society, in reply to Mr. WHIPPLE, of Rhode Island, upon the usury laws. The address was published in pamphlet.

Many important trusts have been committed to him. He was appointed by the late JOHN JACOB ASTOR one of his executors, together with WASHINGTON IRVING and DANIEL LORD. He is a Director in Life and Fire Insurance Companies, a Trustee in one of the Savings Banks, and connected with several associations, benevolent, literary, scientific and religious. Many other prominent positions that have been offered to him he has declined.

As one of our city Bank president's his position has always been an influential one. It was through his efforts, and those of the presidents of the leading banks, that the panic of 1860 was allayed in twenty-four hours, by promptly making their specie a common fund. In the same month (November) of that year, he addressed a public meeting of the merchants relative to the presidential election. In that address, which was delivered in the Exchange, he took the ground, that it was of the utmost importance to elect a President. He advocated the election of Mr. LINCOLN, because no other candidate could be chosen by *the people;* and if the election went to Congress, the consequences, in the then state of the country, might be of a very serious character. It was probable that members of Congress would be found in sufficient numbers to oppose the election of a President, and thus the country might be plunged into anarchy.

He also took an active part in the effort toward city reform, presiding at a mass meeting of the people in favor of that object at Cooper Institute. His speech on that occasion was published, and circulated throughout the city. As a member of the Chamber of Commerce, his efficiency has been demonstrated by his repeated election as one of the executive committee. In the Bank Clearing-House Association he has also been one of the most active members on committees, and the duties connected with this association have been particularly arduous, since the breaking out of the insurrection.

In April, 1861, he made a speech in favor of the Government and the suppression of the rebellion, at the first meeting called in New York for that object, at the rooms of the Chamber of Commerce. This preceded the great union meeting at Union Square. He closed that speech with the offer of a resolution, which was adopted, providing for the appointment of a committee of merchants and bankers, to aid the Government in placing the requisite loans for supporting the national finances. He was chosen a member of that committee, and from their labors resulted that celebrated union of the banks of New York, Philadelphia and Boston, from which Mr. CHASE obtained his first supplies for the support of the war, to the extent of about one hundred and fifty millions of dollars.

The financial support of the Government, from motives of patriotism, has continued to employ Mr. GALLATIN'S best efforts, during the whole progress of the struggle; but he differed with Mr. CHASE upon several important points. He opposed the issues of government legal-tender paper money, and constantly warned Mr. CHASE, in letters, which were published, of the consequences—producing, in these letters, liberal contributions from that accumulation of knowledge upon financial and economical affairs, which he has acquired from experience and research. He is what is called "a hard-money man." He explained the phenomena of the currency and the exchanges, and the practical operations of banking. He proved the power of the natural laws governing these, explaining all those consequences of increasing the measure of value, or quantity of lawful money, beyond the normal value, which have now become matters of history. His efforts to avert the excessive augmentation of paper money brought down upon him the fierce denunciations of excited partizan journalists. His loyalty was even called in question, although he had labored to secure the election of President LINCOLN, and was favor-

able to the administration. He was attacked in Congress, in one of the most virulent personal speeches of the Session of 1863-64, but his excellent reply, which was published in pamphlet form, left but little of his antagonist. For some months he was badgered and abused in several newspapers, either editorially or anonymously, but his opponents have lived to deplore their errors, if not to confess that he was right. Even of Mr. CHASE, since he resigned, it has been stated, in an editorial article in one journal, which had advocated his measures, that he had serious doubts from the very first, as to the advisability of making the paper issues a legal-tender.

Mr. GALLATIN suffered a great affliction, four or five years ago, in the death of his only son, ALBERT. Endowed with the finest intellect, and having acquired all the knowledge of the schools, no young man could enter into business life with a more brilliant future than he did. He chose the legal profession, and had commenced a lucrative practice; a young family, of the most endearing character, blessed his domestic life, and everything around him betokened a career of usefulness, of distinction and happiness. But it was otherwise ordered by a wise and beneficent providence. He was suddenly prostrated by sickness. His parents went with him to Europe, where the greatest skill proved, as it had at home, of no avail. His death was a sad blow to the fond hearts united to him in family ties. His parents, to make up for their loss, at once adopted, into their own family circle, the young household thus suddenly bereft of paternal care. They are now living over again, with their daughter-in-law and their two grand-sons, that interesting period in the lives of parents, when their care and attention are devoted to the education of a young family.

Mr. GALLATIN'S devotion to the welfare of his fellow men is a remarkable trait in his character. His time and means have been freely spent upon objects of this kind. He is very frank in his manner—so much so, that superficial minds judge him harshly, attributing to him a want of feeling, when in fact they censure the evidence of that earnestness and good faith, which give a high moral tone to his character, and guarantee the perfect integrity of his spirit. As a writer, his reasoning powers and force of expression very much resemble those of his father. He composes with accuracy and rapidity, but having had his right arm broken near the wrist, he requires the assistance of an amanuensis in prolonged literary labors. His library, next to the family circle, is his favorite resort, although he is a noted pedestrian, and very fond of out-door exercise. It is by active exercise and temperate living that he preserves his excellent health and his youthful appearance; for, although now in his sixty-eighth year, he looks eighteen or twenty years younger. His collection of books upon political economy, embracing all the departments of that science, is probably the most valuable private one in Europe or America. He has a large part of the works of this kind, which his father collected in Europe, and has added the later publications, together with several thousand volumes of standard works, embracing the other sciences and general literature in several languages. Such a library, in the possession of one, like Mr. GALLATIN, with the disposition and ability to use it in every day life, is truly invaluable. It furnishes not only pleasure and information to the possessor, but it becomes a source of wealth and profit to the com-

munity. There is great difference in this respect among men. Many seem lost to know how to apply and use what they read; and, yet, if we would have clear sailing for ourselves or our country, especially in such times as these, we must search for, find out and use, the channel, which the events, that have passed into history, so clearly mark out. Would that all of us would study the lessons of the past and profit by them!

We have already referred to Mr. GALLATIN'S ability as a public speaker. One of the latest incidents of his life illustrated this power—we refer to his expostulation with a mob, which had gathered around a newspaper office, threatening violence for some alleged offence, which the editors had committed in their editorial articles, relating to public affairs. The mob were too powerful for the policemen present, and there was every prospect of their doing serious injury to the office, before a sufficient police force could arrive to disperse them. At this juncture some one present recognized Mr. GALLATIN and spoke his name, when it was at once taken up and shouted through the crowd. The opportunity thus given he improved to address them, and his eloquence, always earnest and engaging, had at once the desired effect; for there was no more talk of violence. He held their attention for a few moments and then dispersed them. The police, who had been sent for in force, arriving only to find the streets already cleared.

We might extend this brief record, by the recital of many other interesting facts and incidents in the private and public life of Mr. GALLATIN. Yet we have said enough to illustrate his sterling character, and to indicate the important part he has acted, and is still acting, in his country's affairs. We have seen that his younger life was one of peculiar temptations. The possession of money, flattering friends, and gay society, are very severe tests of character—few are able to withstand their influence. Thousands of young men, tried in such a crucible, are ruined every year. Yet it is only through temptations and difficulties that character is developed—for this is the refining process—the weak one thus brought to show their weakness, the strong, their strength.

CONQUEST OF MEXICO BY FRANCE.

(Number II.*)

T. M. J.

Some men are born to be distinguished. A strong interest attaches itself to them, and separates them from the common crowd, making them prominent characters on the page of history. Their most trivial acts are closely scrutinized, and their chance words are invested with more than ordinary meaning. It is not that they possess extraordinary powers; that they are endowed by nature with a superior genius, which, whether well used in the cause of right, or perverted to purposes of evil, still exalts them above their fellows; but to circumstances and position alone are they indebted for the consequence, which attaches to them. It is because they fill high positions of important trust; because their words and actions (whether original or inspired, is of little or no moment,) have a practical significance, and powerfully affect the well-being of whole communities.

Just now, and for such reasons, the public eye is fastened upon the Arch-duke Maximilian, the present Emperor of Mexico. We do not mean to affirm that he is not a man of ability and acquirement; that he has not filled many positions in which he has been placed in a manner creditable to himself, and worthy of his illustrious descent, or that he would not be a prominent man in ordinary circumstances of life. He may possibly be all these. Still there are thousands possessing as much ability as he, who, strutting their little hour on the stage of life, pass off, and are forgotten. But the Emperor will always be a character of interest; whether he possesses any extraordinary capacity or not; whether he succeeds in his endeavor to found an empire in Mexico, or fails utterly in the attempt, his name is written on the annals of the Mexican Republic, and will be inextricably woven into the story of American history.

The death of the Emperor Charles VI., which happened on the 20th of October, 1740, left the house of Hapsburg without a male descendant. It had been the anxious care of this monarch, to secure the succession of his daughter, Maria Theresa. An acknowledgement, known by the name of the Pragmatic Sanction, was accordingly obtained from the different European powers, by virtue of which the hereditary possessions of Austria should, in the absence of male issue, pass to the female branch. Maria Theresa had, however, no slight difficulty in obtaining the fulfillment of this compact. Charles Albert, Elector of Bavaria, pressed his claim, as descended from the Emperor Ferdinand I., and his cause, being espoused by some of the other European powers, endangered, for a time, the succession of the daughter of the deceased sovereign. After a

* The previous article on this subject, and of which this is a continuation, will be found in the June number of the Merchants' Magazine, page 415.

good deal of opposition, CHARLES ALBERT was elected Emperor of Germany, under the title of CHARLES VII., and MARIA THERESA, succeeding to the Austrian estates, was crowned in Prague in the year 1743. Her husband, FRANCIS STEPHEN, of Lorraine, upon the death of CHARLES, was invested with the imperial purple, as Emperor FRANCIS I., and the heirs of the two great houses of Hapsburg and Lorraine have ever since held undisputed possession of the Austrian sceptre. JOSEPH II., son of FRANCIS I., and MARIA THERESA, succeeded to the Empire in 1765. He was a well meaning man, but a little in advance of his time. Endeavoring to introduce into his empire higher principles of civil and religious liberty, he was brought in direct opposition to all the fanatical tyranny of the Romish church. He was succeeded by his brother LEOPOLD, who was crowned in the year 1790. His death made way for his son FRANCIS II., of Germany, and I., of Austria. He, in his turn, was succeeded, in 1837, by his son FERDINAND II., who abdicated on the 2d of December, 1848, and fixed his residence in Prague. The Arch-duke FRANCIS CHARLES, the brother of FERDINAND, also renounced his claim to the succession, and FRANCIS JOSEPH, son of the renouncing Arch-duke, became Emperor. The Arch-duke MAXIMILIAN is his brother, and, in case of his decease, would have been regent during the minority of the heir apparent. He was commander-in-chief of the Austrian navy, and has been Governor of Lombardy and Venice. The experience he has had in the art of government, and in building up the material strength of a country, will certainly be of great use to him, in the difficult position in which he is now placed.

The long season of disturbance and anarchy, which has swept over the Aztec table-land has made a period of repose to be most eagerly desired by its war-wearied inhabitants. The fiery education, which they had been receiving, led us to hope that some government strong enough to preserve internal peace would result from it; that the genius of President JUAREZ would establish a permanent tranquility, and that under its benificent influences Mexico would take that stand among the commercial nations of the world for which she is so eminently fitted. But we have been doomed to disappointment. Just at the time when our hopes seemed about to be realized, and the by-gone period of anarchy and mis-rule about to pass away, the French Emperor, under the pretext of demanding the payment of certain money, claimed by his subjects, has invaded the country, and, by a system of treachery and deceit, aided by 30,000 of his best troops, forcibly placed a foreign prince on a throne, built upon the ruins of the republic.

The emperor has done what he has constantly been declaring, was the very farthest from his thoughts. Over, and over again, did M. THOUVENAL declare to the English and American ministers, that France had no intention of interfering in the internal affairs of Mexico. In July, 1862, Gen. FOREY received a communication from LOUIS NAPOLEON himself, in which he says: "The end to be attained is not to impose on the Mexicans a form of government which will be distasteful to them." Immediately after this, Gen. FOREY marched into the capital, and the Council of Notables, under the direct influence of the French army, and of the exiled members of the church party, declare the Republic at an end, the Empire established, and the Austrian Archduke Emperor! This may be a very satisfactory mode of procedure in some quarters; but as the Council of No-

tables never made even a pretence of submitting its acts to be ratified by a national vote, it is not exactly in keeping with our ideas of a "free" and "unanimous" election.

But while we denounce the treachery and deceit of France, and condemn in the strongest language the lawlessness of the intervention, we do not hesitate to acknowledge that a strong government, firmly maintaining order, cannot but be a blessing to Mexico. It is childish to speak in general terms of liberty, independence, universal suffrage, and self-government. The anarchy which Mexico has been enduring is worse than the fiercest despotism. What Mexico wants is quiet, the restoration of peace, and the maintenance of tranquility. We should remember that it is not in the mere name of a "republic" that liberty consists. A monarchy is not necessarily despotic, nor a republic necessarily free. There is nothing in either which inherently threatens tyranny, or promises freedom. It is the peculiar and individual provisions of the constitution of a country, which insure or destroy liberty. All people are not fitted for self-government; indeed, we think it self-evident, that the governing power should reside in the higher classes, which, as a general rule, (and it is upon generalities that legislation must be based,) are the better educated portion of the community. Whether a republic, with a qualified suffrage, or a monarchy, under an aristocratic control, affords the best means of placing that power in the hands most fitted to wield it, is a problem not yet entirely solved. A republican form of government, with universal suffrage, requires, we fear, a higher degree of intellectual culture, on the part of the masses, than any people has yet reached. Even we, with all our boasted popular intelligence, are reaping some of its bitter fruits. Look at the controlling influence in the government of our great cities; observe the motive forces working in our State legislatures; visit the halls of our general government, in the place sanctified by the name of the great father of his country; and what do we see? Public money squandered, when the strictest economy is necessary; hard working and law abiding people heavily taxed—not on account of the necessities of the State, but to fill the pockets of greedy politicians, and to give gold medals to unworthy demagogues. The low and uneducated, by means of their numerical superiority, have taken the power away from their betters. Instead of being governed by an educated intelligence, we are largely domineered over by the superficial and the base. Would this be a fit government for Mexico? Past years of anarchy can best answer this question. If we stagger under it, whose people, almost to a man, read and write, and possess some knowledge of the world, what would be the consequences in Mexico, where nine-tenths of the population neither know nor care whether they live under a government of their own, or under that of the great Mogul?

Yet although Mexico is unprepared for a Republican form of government, that is no reason why France should receive our sympathy now; nor why we should not oppose with all our power this new made Empire. The truth is, we should long ago have taken the protectorate of Mexico into our own hands. The better class of the inhabitants wanted us to do so. They asked General Scott to become their dictator. They saw that the peace and order, which a strong government could give, was better than the lawlessness of their own misrule; and, tired of war,

wearied with violence, disgusted at bloodshed, they were willing to lay their all at the feet of a foreign conqueror. Do we blame them for this, and call them base? Consider the condition the country was in. Notwithstanding all the beauty and sublimity which expand the souls of the poet and the artist, the physical part of man's nature is the first to claim his care. It is useless to talk to the starving man of the gorgeousness of a sunset, or to the houseless wanderer of the merits of works of art. Food will be the craving of the one, shelter the first desire of the other. Supply him with the necessary, and he will appreciate the grand. So it is with a nation. Mexico, torn to pieces by faction, dashed, for long years on the sharp rocks of civil discord, is in the forlorn condition of the starving or houseless man. She, in her present state, cannot appreciate the blessings of independence and self-rule. Her cry is for peace, rest, an end of blood, to be had in any way, and cheap at any price. Mexico is a country of unsurpassed richness, and capable of extensive development. The luxuriance of its soil, the vastness of its mineral deposits, have passed into a proverb. We might have opened the country and established a commercial intercourse which would have been to our mutual advantage.

We do not, however, say that it would have been justifiable for us to have invaded Mexico, in order to overthrow its government, and establish one we would like better, even though such a course might have resulted to its advantage. A protectorate, which would simply uphold its own rulers, and aid them in preserving peace and in enforcing law, is a very different thing. Neither would it have been proper for us to do even this unless it were desired by the Mexicans themselves. But they did desire it, and we are now reaping the fruits of our foolish policy in not acting at that time. Still those opportunities are past and lost. France has come forward and, with her strong hand, has undertaken to conquer Mexico, not to uphold the Mexican government. In doing this, too, she has acted in a way particularly offensive to us, in putting upon this Mexican throne a foreign prince, one who will always be ready to nod when France nods, and act when and how she tells her to.

The question then thrusts itself upon us with irresistable power—Should we, can we, submit to this act of the Emperor NAPOLEON? Is it safe for us to do so? Can we allow an Emperor, who even now makes all Europe shake when he opens his mouth, and whose ways are past finding out, to secure a foothold, so near us, and in so dangerous a quarter?

An article, in the last number of the MERCHANTS' MAGAZINE, states that "this country has always occupied a dog-in-the-manger position towards the Spanish American Republics." We suppose the writer must mean that the United States have not only refused to interfere in the internal affairs of those powers, to overturn their government, and place their people under a foreign rule, but have also declared their intention never to allow other nations to commit like acts of violence. If this is what he calls "a dog-in-the-manger position," we sincerely hope that our country will always fall under such a censure. Certainly no one, on the one hand, would wish that we should act the part France has towards our neighbors; and on the other, if we want to be free from European interference and European wars; if we want to avoid the necessity of sustaining such immense armies and fleets as those, which are eating out the

very life of the older countries, then we should prevent European governments from obtaining a foothold in America.

Besides, this attack on Mexico is intended to reach us as well as her. As a republic we have grown too fast, too large, and too powerful to suit European governments. The amount of wealth we were accumulating was not understood abroad until the present war; but now NAPOLEON, with his clear head, sees in the future, that if this country remains united, and is allowed freely to develop itself, it will overshadow all others and certainly add nothing to the stability of thrones. He therefore proposes to establish himself in Mexico, that he may watch us, check us, and strike if an opportunity offers. He would interfere in our present struggle in a moment, did he dare; and were he able to bring on war and make us appear the aggressors (so that he might obtain the help of England) he would be gratified in the extreme. It is for this reason that he keeps out of an European war at the present time. His eyes are turned this way, watching his new Empire and the old Republic. Let Denmark struggle and be crushed; it will not move him, for his game is in another direction now. Whether there was any foundation in the rumored proposed cession of Texas to France by the South, as the price of recognition, and the intended occupation of Brownsville by France, and the declaring the country a French province, it is of course impossible to say. And yet this has been stated semi-officially, and the occupation of Brownsville by our own forces is also said to have prevented it. At all events whether this be so or not, we may be certain that France is watching her opportunity, and there is no dependence to be placed upon her friendship or forbearance. The opinion expressed by President MONROE, in his message of December 2nd, 1823, usually known as the Monroe doctrine, is the only safe policy for this country—"With the governments which have declared their independence and maintained it," said that distinguished statesman, "and whose independence we have on great consideration and on first principles acknowledged, we could not view any interposition, for the purpose of oppressing them or controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition towards the United States."

We should not understand by this, however, that the country was in honor bound to aid the Mexican people in their struggle. This extract from the message of Mr. MONROE is, of course, merely the opinion of one of our greatest Presidents, and has never been sanctioned by act of Congress. Yet it has always been looked upon as the expression, by the executive, of the feeling of the American people. Congress alone, "by its formal adoption, could elevate this opinion to the dignity of the national policy." The difference between a mere opinion of the executive, and a similar opinion sanctioned and made an established principle by Congress, was clearly stated, a few years after the delivery of this message of President MONROE. The South American Republics had just thrown off the yoke of Spain, and their independence had been formally acknowledged by the United States. Certain language used by Mr. POINSETT, our minister to Mexico, and based upon the opinion expressed in the message of the President, quoted above, led Congress to suppose that he had pledged the United States to protect the Mexican republic by force of arms, against all interference on the part of any foreign power, except Spain. In order to coun-

teract the effect such language might have, the following resolution was adopted, that:—

"The Committee on Foreign Affairs do inquire and report to this House upon what authority, if any, the Minister of the United States to the Republic of Mexico, in his official character, declared to the Plenipotentiary of that Government, that the United States have pledged themselves not to permit any other power than Spain to interfere either with their (the South American Republic) independence or form of Government," &c.

Mr. POINSETT accordingly hastened to explain the true signification of the words he had used, and his intention in using them. In his letter of May 6th, 1826, he says:

"I have always considered that declaration (that of Mr. MONROE) as a pledge, so far forth as the language of the President can pledge the nation, to defend the new American Republics from the attack of any of the Powers of Europe other than Spain. That the people of the United States are not bound by any declaration of the Executive is known and understood as well in Mexico—where the Government is modelled on our own political institutions—as in the United States themselves. But in order to correct any erroneous impressions these words might have made on the friends of the Mexican Plenipotentiaries, I explained to them, in the course of our conference this morning, their precise meaning; that the declaration of Mr. MONROE in his message of 1823, to which I had alluded, indicated only the course of policy the Executive of the United States was disposed to pursue toward these countries, but was not binding on the nation unless sanctioned by the Congress of the United States, and that when I spoke of the United States having pledged themselves not to permit any other power than Spain to interfere with the independence or form of Government of the new American Republics, I meant only to allude to the above cited declaration of the President of the United States in his message in 1823, and nothing more."

Thus we see that the opinion of Mr. MONROE does not in any way govern the country, nor are we, as a people, in honor bound by it to defend the Mexican republic. Still it expresses the almost unanimous feeling of the American people, who have always looked with jealousy upon European encroachments on this continent, and especially upon the present offensive and treacherous encroachments of the French.

We must not, however, be understood to affirm that hostility to the United States was the only feeling that influenced the French Emperor to undertake the Mexican expedition. A country of such fathomless mineral wealth, as the Sonora district, besides possessing soil and climate adapted to the growth of staple productions, for which there is a limitless demand the world over, was too rich a prize not to be coveted by the present NAPOLEON. The exhausted state of the French exchequer, the immense expense of his great military establishment, increased by the necessary demand for more costly materials of war, required new sources of revenue. Here was an endless one; one which would relieve all embarrassment. True, it was one to which he had no shadow of claim; but what of that? Could he not confer the blessings of civilization on a semi-barbarous people; establish order in the place of anarchy, and above all, obtain a position which might be used to overlook, finally attack, or at least check the growth of the United States, and at the same time secure the ascendancy in Mexico of the Faith? The temptation was too great to be resisted. With purposes as purely selfish, and considerations more mercenary and unscrupulous than those of CHARLES V., when dispatching HERNANDO CORTEZ to rifle the treasure house of the Montezumas, did NAPOLEON III. undertake the conquest of Mexico.

Will, then, this Mexican Empire be a success, is a question of great interest to us. We think not. It was certainly undertaken at a very propitious time for France. Had we been free to act—had not our hands been tied by the present long-continued and exhaustive war—it would never have obtained even a name, never been attempted; nor can we act so long as our own struggle is continued. If, therefore, the intelligent portion of the Mexican people favored the plan, we should have little hope of ever seeing the French dislodged. But they do not, and we believe never will. What is the meaning of one French column sent here, and another there, to keep down—what?—a threatened insurrection? What is the meaning of the frequent attacks upon the French troops? If the Empire meets with the popular approbation, what is the reason that the progress of MAXIMILIAN, from the coast to the capital, was marked by an absence of all popular enthusiasm?—and why was the request that the people should join in giving a hearty welcome to the newly elected sovereign—that business should be suspended, the houses decorated with flags and curtains, and the whole city illuminated—accompanied by the significant intimation that all persons not complying should be mulcted in a sum varying from twenty-five to one hundred dollars? The decorations and illumination, which welcomed the arrival of the imperial cortege, were doubtless, under these circumstances, expressive of the joy of the people and their entire acquiescence in the new order of things!

We conclude, therefore, that when the United States are again in a condition to help the Mexicans, either directly or indirectly, it will require a larger army than the French will care to sustain there, to keep down the discontent.

THE SANDWICH ISLANDS.

NUMBER II.—THE KANAKAS.

H. B. A.

ANY one expecting to find at Honolulu, or in any other part of the Sandwich group, the innocence and charming amiabilty, of which early travellers gave such pleasant accounts, drawing largely upon the descriptions of the Garden of Eden, left by MOSES and MILTON, will soon find, either that the times have greatly changed, or that his own romantic imagination has misled him. No books that we have give such a picture of the native habits as would be true to-day; their authors are either seduced by a natural wish to make the contrast between the past and the present as striking as possible, and go too far in their sketches of native progress; or else, from prejudice and hatred for missionaries, have sought out all the revolting and semi-barbarous traits of character which could be ferreted out during a residence of years among the Kanakas.

Any man of intelligence and candor will be prompt to acknowledge that their progress in all the arts of civilized life has been prodigous, and that they have attained to a high order of christian civilization, as com-

pared with their condition only forty years ago;—but here a grave question arises, whether this advance has not been so sudden, and the change in the national habits so radical, as, by its violence, to have been the death of the race. They became responsible beings, as it were, before they were able to control their passions, and ever since have been a nation of precocious children—fickle, easily led astray, child-like in their simple dependence on the white man, acting rather from habit, or fear of the displeasure of their teachers and companions, than from principle—in a word, lacking independence. Of course, there have been great exceptions among the chiefs, and superior minds, occasionally among the commons, but, in character, the Kanaka is a shiftless being, the child of circumstances. One of the most difficult lessons to teach them is the habit of steady work; and there are hundreds who do no more than they are absolutely compelled to; which, when food and lodging cost so little, is not much.

Like the Indians, they will gorge when food is set before them, and then, it may be, fast for several days. A Kanaka will as soon sleep on the bare ground as on his mat; whatever comes it matters little to him. This recklessness of health, more than any needful privations in such a climate, where cold is almost unknown, is one great cause of the mortality among them.

On a carefully managed sugar plantation, the necessity for regular hours, enforced by a system of fines for absence from duty, has greatly improved the health of the laborers, and, on some of the best of these estates, are to be found as fine a body of men as could be desired. It is part of the contract under which they labor, that they shall remain steadily for a whole year, so that after being on the plantation for a few months, habits of regularity and industry are partially acquired, and the men, under firm and judicious training, accompanied by never failing patience and kindness, are very much changed in character, being preferred to Chinese Coolies. That the nation can be trained into habits of industry, is proved by these sugar estates; but, unfortunately, they are not numerous, and the incentive to labor is wanting with most of the natives.

It is no uncommon thing to see a stout, healthy fellow lounging about the streets, with a little stick, to which three or four shell combs are attached, his whole stock in trade not being worth five dollars. All day long the lazy fellows lounge about with this apology for employment. On Saturday afternoon six or eight of them may be found in a corner of the fish market, not only with combs, but with wreaths of jessamine and ohia flowers, worn by the women. In America or Europe such trades would be given up to children, but a Kanaka loves dearly to busy himself with what requires no exertion. His argument is that he can get all he wants with very little trouble, plenty of *poi* and fish, shelter for nothing, and what more does a man need—why should he weary himself by hard work?

A few years ago, the passion for costly clothing, possessed by all classes, and both sexes alike, gave a motive for exertion; but all this has passed away; silks and fine dresses are not to be met with in the streets, as, we are told, that they were in 1850. Their dresses are, generally, very simple; that of the females consisting of one or two cotton or stuff

gowns, reaching to the ankles, the under gown being generally of light colored or white cotton, and the outer of black, or, it may be, a gay calico. These gowns are made loose, and worn without sashes, a simple custom, admirably adapted to the climate, which will not permit of comfort in close garments. Shoes and stockings are rarely worn, except by the higher classes, and, even these, lay them aside in the house. Bonnets are more generally used, being braided by the native women of the style known as "pork-pie" hats; often they are wreathed with natural flowers, but it is a much commoner sight to see young females crowned with a wreath of bright yellow flowers, or else the beautiful jessamine. Some of the venerable wahines are possessed of head coverings which evidently belonged to the wives of the earliest missionaries, having probably been discarded by them about the year 1825.

Both sexes are passionately fond of flowers, and on Sundays, when the women love to deck their hair with their favorite jessamine, the fragrance in the native church is overpowering on a sultry morning. Where foreigners have taken pains to cultivate gardens of rare flowers—for every flower that is found in the temperate zone, or within the tropics, can be grown at Honolulu, or on the sides of Haleakala—it is a common thing for a party of natives, from a distance, to call in the afternoons, asking permission to walk among the flowers. No native thinks of going on a journey without a wreath, which he will put on just as he reaches his destination. When riding into Lahaina, after a rugged mountain scramble of forty miles, our guide produced the inevitable wreath. He had started without it, but a friend had galloped after us to give it him. Some call it a heathen custom, but, heathenish or not, it is a very charming one, and aptly marks the simple, child-like character of the people.

The dress of the men is even simpler than that of the women; a shirt, hanging loosely over a pair of cotton trowsers, being the universal morning costume of Honolulu. In the afternoon, if the individual is a man of mark, he will be seen in all the elegancies of European dress. A very gay fellow is a Kanaka dandy, especially on horse back.

It is quite a rare thing to see, in the town, the original costume of Kamehameha's time, the *maro*, a mere strip crossed about the loins; but on the other islands it is more common than a pair of breeches, especially if you meet its owner at work in the fields. And here it may be noticed, that the absence of clothing, shocking as it may be deemed in a civilized country, is by no means as offensive to modesty as many of the ball-room costumes of very fashionable ladies; especially if the truth is told of some of the very original costumes at a recent fancy ball at the Tuilleries. A dark skin has so much the appearance of a close-fitting pair of black trowsers that it passes quite unnoticed. To a stranger, it is, at first, rather unpleasant—embarrassing, if he chances to see it for the first time in the company of young ladies, but he soon finds out that they have not the slightest conciousness of impropriety. The natives themselves have much regard for decency in this matter of costume, a naked man being no more tolerated among them than among us.

The simplicity of the clothing of both sexes, displays much of the contour of their forms. Finer models of symmetry could not be found. Frequent bathing, and the absence of all bandages in infancy, confers upon them a perfection of form that is rarely, it might be said never, found, in

more highly civilized countries. I do not remember seeing a cripple or a deformed man or woman on the islands. Few have beautiful countenances; here and there a child or young girl will possess regular features, and a pleasant expression, but the majority, women as well as men, are homely creatures, their faces being only redeemed by an expression of inexhaustible good nature.

To see much of the good-humor and mirth, which mark the Hawaiian character, a stranger should frequent the fish market at Honolulu, either in the early morning, or on Saturday afternoon about sunset. As raw fish is one of the regular articles of diet, esteemed quite as much as *poi*, one is sure to see, at the market, at least one member of each family; and as the laws against selling on Sundays are rigidly enforced, purchases of fish and *poi* only being allowed before 8 A.M., and after 6 P.M., on that day, the fish market, on Saturday afternoon, is thronged with men and women, chatting, laughing, bargaining, and gambling, as lively a street crowd as any in the world. The anxiety of the dealers is prodigious, one cannot look at a fish without being urged to buy with ludicrous shouts and cries. The Kanakas certainly are masters of the persuasive language of signs, and it is comical to hear the affectionate pleas three or four rivals will make to a little child, who is perplexed woefully where to spend the Spanish real, which is to buy a Sunday dinner. All is good-humor, an angry word is never heard in all the hubbub.

These fishmongers are as inveterate gamblers as the Chinese, and in the intervals of business, are to be found, with piles of silver, betting in some occult manner, but with profound anxiety and noisy shouts. Every emotion is shown on their faces; if excited, their eye dilate and nostrils swell, while their tongues are going like a mill race; if in pain, they cry and moan like children; in everything they act with quite as much *abandon*. In such a crowd, and amid such excitement, a stranger passes unnoticed, and can learn more of the looks and ways of the people than by visiting their houses. It is not from the natives alone that the market derives its interest, the fish are among the most curious of living creatures —odd fish indeed. Chief among them is the mullet, not unlike the striped bass of the Atlantic in taste and shape, but not similarly marked. A beautifully marked fish, of pale yellow and pink, is very common, and others shine with brilliant greens, scarlets, and blues, ten or twelve colors being seen on a single fish. In shape they are grotesque, and many of the most curious are not to be found in books of modern Icthyology. Besides the fish, the natives are fond of shell-fish, which are here found of the most hideous shapes and markings, like gigantic green and gold-bellied spiders. It is satisfactory to know that correct and numerous drawings of the fish and testacess of the South Seas are in possession of the State of Massachusetts, and that no less distinguished a naturalist than AGASSIZ is arranging them for publication. They are the fruit of fifteen years of study and travel among the Islands of the Society, Fiji and Kingsmill Groups, by a man who has done more to explore and define the rare and curious fishes of these almost unknown seas, than any living naturalist—his name is GARRET, a plain, unpretending man, who, in June, 1863, was preparing for a lengthened tour among the Fiji Islands, and other groups still further to the southward, of which even less is known by men of science. The short and rare visits of National Exploring Ex-

peditions, by which the natural history of the Pacific has been largely ascertained, are too few and too brief to allow of more than gleanings in a field of such vast extent. This man, who is scarcely forty years old, has spent his life in the work. Thoroughly conversant with the dialects of the natives, he spends years among them; minutely examining and describing all specimens of natural history which fall in his way, and obtaining from the natives themselves specimens of the rarest character, especially in Icthyology. Fortunately he is a draftsman of much skill, and it is to be hoped that at some future day, the State of Massachusetts will give his drawings to the world. They are doubly interesting from the systematic attention with which he has studied for so many years, the natural history of the Pacific, affording some guarantee that few, if any, of the common fish of the different groups will escape his eye. He has brought to light many specimens never known before, and one so rare that the natives do not generally recognise the drawing, and in the course of fifteen years of research but two individuals of the species have been met with. His long isolation among savages has given this singular personage a distaste for towns and the society of white men, so that he will probably die as he has lived, among the far-away islands of the Pacific, known only to the men of science, to whom he communicates his discoveries.

The houses of the natives in the larger towns, such as Honolulu, Lahaina, and Hilo, are often quite as good as those of Europeans, being built of light wood after the manner of American cottages, without any extraordinary finish, but neatly painted and surrounded by a high fence or wall with an arched gateway. Houses of this character generally belong to the chiefs and such of the more industrious of the common people as have obtained sufficient means to build in American style. A house of this kind was completed in June of this year for a Kanaka who began life as a poor printer's boy, and by attention and economy had amassed several thousand dollars. Instances like this, however, are sufficiently rare to attract attention. The great majority of the native houses throughout the island are built of straw and bamboo, and the leaves of sugar-cane, and the ti-plant, as their fathers built them ages ago. Occasionally these houses are circular with pointed roofs, like an Indian wigwam or an African hut, but much more commonly they are about twenty feet square, with regular roof of about the same pitch as is customary for shingle roofs. When built in this manner, they bear a resemblance not only to the hut of the native South American, but to the bamboo houses of the Chinese. They are constructed of light bamboo, across which the leaves of the sugar-cane or ti-plant, or it may be, dried grass, are carefully tied down, so that they are quite impervious to rain. So excellent are these roofs, and from their thickness and the free circulation of air under the eaves, so cool in a warm climate, that many of the foreigners have had their own houses thatched with sugar-leaves. It is necessary to renew the thatch every three years, but the house will stand and be clean and comfortable for ten or twelve. A house of this size and character, with a verandah in front, and "lean to" behind, costs less than $400, and the annual expense for repairs is about $50. The labor of a few weeks will give any native a comfortable dwelling, more so than would be supposed with such frail materials. The internal arrangements are very simple. A space in the center stretching back from the door, is left

bare, the earth being pressed hard and smooth by daily wear. On either side of this, running under the eaves, are raised sleeping-places, long, low shelves as it were, six feet wide, stretching the depth of the building. These are covered with coarse mats, the meshes an inch square, and over these again are laid the fine sleeping-mats common to all the islands of the Pacific. Dry, comfortable beds are thus obtained, and, although nothing like privacy is possible in a house so built, it affords all the protection from the weather required in such an equable climate. Some of the natives, especially in the towns, partition off sleeping apartments, and cover the entire floor with plank. These houses are very comfortable, much more so than many a settler's log-hut in northern New York, Michigan or Canada.

Half-a-dozen big calabashes for fish and *poi*, and gourds for holding water, a poi-trough for pounding the taro, and such articles for table use as they fancy or can purchase, comprise the furniture of their houses. Chairs are not often seen even among the better class, but comically enough ever the poorest, who can not obtain even a wash-basin or plates for their table, display very conspicuously certain articles of furniture which in well-ordered households are kept out of sight. In their journeys from island to island these convenient basins are sometimes their only luggage, answering for portmanteau, or as a convenient trap to hold a very young puppy.

The mats which are universally used for sleeping, even by those possessing beds, as cooler in hot summer nights, are often very fine and delicate, especially those made on the island of Kauai, and those brought by the missionary ship from the Micronesian Islands. Some of the Hawaiian mats are from twelve to eighteen feet square, and bordered with neat figures worked in various colored straws. Their mats are almost the only articles of furniture about which they are at all particular, and even these, from long use become so foul and so infected with vermin, especially fleas, that it is by no means an agreeable matter to pass a night in a native house. There are no poisonous insects, however, if we except the fleas and centipedes, and even the latter are not dangerous. Of the enormous and hideous spiders that infest the country none are poisonous; the largest among them, a black monster, four or five inches in diameter, is frequently a pet on account of his usefulness in destroying cockroaches and mosquitoes. It is no uncommon thing to find two or three in a room, and occasionally a big fellow will run across the drawing-room floor, with a step on the matting that is plainly audible, no one thinking of disturbing the insect in his travels. They have been known to come to their master's call, and even to run up the arm and stand on the hand.

Where there is a native hut there is always a dog and sometimes a dozen. The Sandwich Island dog is a sharp little cur, with short legs and thick body, of the size of a King Charles, not a handsome dog, and generally possessed of a querulous temper, annoying every one by his feeble yelping. The native women are passionately fond of them, and give them as much attention as their children—and a little more, for sometimes they actually suckle these puppies at the expense of their own offspring. Where they go, the little wretches accompany them; when they ride, the baby will be slung under the arm and sit astraddle of its mother's hips, the mother straddles the horse which she guides by her

left hand, while in her right sits an impudent puppy-dog a few months old.

A dog-law, or the free introduction of strychnine would be a blessing. If the dogs were useful or possessed of any beauty, there might be some excuse for petting them, but among all the yelping brutes that come barking around the stranger's heels, no one ever saw a high-bred animal fit for any better purpose than to make mutton-pies in London. Indeed it is darkly hinted that the curs are put to a similar use here, and that when roast-pig is enjoyed at a native hut, it is much more likely to be roast puppy with a pig's head and tail skilfully attached to deceive the *havle*. Quien sabe? One cannot find dog chow-chow exposed in the streets as at Canton, but it is recommended to eat nothing that has life, except chickens, and even then to be careful to know *how* they are cooked. In fact it is often a necessary precaution to see them drawn before they enter the pot. It is very difficult, too, for a foreigner to master the repugnance for *poi* after seeing the process of preparation, and *poi*, roast pig (dog!) and raw fish, constitute the daily diet in the native huts.

Poi is grounded taro, or kalo, mixed with water until of the consistency of starch (which, in fact, it is, starch from taro-root) and suffered to stand long enough to slightly ferment. Generally the natives prefer it rather sour. The style of eating it with the fingers is well known, and where so many hands are in the dishes, no matter how clean they are, and where it is not uncommon for the dogs as well as the children to suck from the fingers of the women, a man who is at all particular, does not care to join such a mess. If he has seen it made, it is useless for him to try to relish it or any other native dish, for the filth and perspiration dripping from the man who pounds this dirty-looking mass of dough, and the careful economy with which those sitting by collect the scraps to throw back into the trough as they fly around on the dirty sleeping mats of the family, are enough to disgust the strongest stomach. However, the islanders are fond of it, and if with *poi* and raw fish they can be happy, so much the better for those who employ them. Eating this food cold they generally have fine teeth, and certainly they grow very fat on it, but it is noticed that their robustness is rarely accompanied by great physical strength, however well-proportioned they are generally. The vegetarians might take a lesson from the fact that on the sugar plantations it is found necessary to furnish them with meat regularly, for when they live on *poi* alone, they are not able to do as much work as with a mixed diet. The old women, living on *poi* and doing no work, become bloated to an enormous size, and among them this inability to walk from fat, is esteemed a mark of high family, like the tiny feet of the Chinese ladies. None of the high chieftainesses weigh less than two hundred and fifty pounds.

Although it would be easy for this people to raise any kind of fruit or vegetables enjoyed by man, and although they now possess a greater variety than most nations, they appear to care very little for them. The demand from whale ships had induced many of them to plant potatoes, especially in the district of Kohala, on the island of Hawaii, and yet it is questionable if one native family out of twenty cares to cook them for their own use. They are very fond of sugar-cane, yet few will take the trouble to plant it.

Bread-fruit is another easily obtained and excellent food, and yet there

are not many bread-fruit groves, except at Lahaina, on Maui. Rice was raised in considerable quantities last year, but almost entirely for export, while very little wheat or corn are planted, and then only by foreigners.

Indeed it is only too evident that the natives care little to better their condition, if the advantage is to be gained by the cost of hard work. And yet when we examine the churches which have been erected in various parts of the islands with great labor, and stretching over a considerable period of time in their construction, it would appear as if they were capable of great and persevering efforts with a motive sufficiently powerful to arouse them. These noble churches and the daily habits of the Kanakas contradict each other. The churches were the free-will offering of the nation in the early enthusiasm of conversion, and when we consider them as the work of a people naturally so indolent that they have not done for themselves what they united in doing for their religion, these really great works are proud monuments in the national history, worthy of being mentioned with honor beside the achievements of any race of men. It is sad to reflect that a nation once heathen, but possessing the intelligence and vigor of their own accord to throw off their dark and bloody superstitions, even before the arrival of the missionaries; and then, immediately after their acquaintance with the truths of Christianity, to make such prodigious strides in civilization and general intelligence as the Hawaiians have done, should melt away so rapidly and surely that it is now a fact, easily demonstrated, that with the next generation its existence will cease, and that before half a century has passed away it will be almost forgotten.

COMMERCIAL LAW.—NO. 14.

THE CARRIAGE OF GOODS AND PASSENGERS.

A PRIVATE CARRIER.

One who carries goods for another is either a private carrier or a common carrier.

A private carrier is one who carries for others once, or sometimes, but who does not pursue the business of carrying as his usual and professed occupation. The contract between him and the owner of the goods which he carries is one of service, and is governed by the ordinary rules of law. Each party is bound to perform his share of the contract. The carrier must receive, care for, carry, and deliver the goods, in such wise as he bargains to do, whether this bargain be in words, or implied by the law from the nature of the service which he undertakes to render.

If he carries the goods for hire, whether actually paid or due, he is bound to use ordinary diligence and care; by which the law means such care as a man of ordinary capacity would take of his own property under similar circumstances. If any loss or injury occur to the goods while in his charge, from the want of such care or diligence on his part, he is

responsible. But if the loss be chargeable as much to the fault of the owner as of the carrier, he is not liable. The owner must show the want of care or diligence on the part of the private carrier, to make him liable; but slight evidence tending that way would suffice to throw upon him the burden of accounting satisfactorily for the loss. And if there were such negligence on the part of the carrier, or of a servant for whom he is responsible, the carrier is liable, although the loss be caused primarily by a defect in the thing carried. Thus, in an English case, the plaintiff had sent a cask of brandy, by the defendant's wagon, from Shrewsbury to London. Before the wagon reached Birmingham, it was perceived, by persons in the wagon, that the cask was leaking fast, and the driver was informed of it; but though he stayed three hours in Birmingham, after his arrival there, he made no examination of the cask, nor took any step to prevent the leakage. He passed in like manner through Wolverhampton, where the wagon also made some stay, without regard to the cask; but at the next stage beyond Wolverhampton, having some parcels to deliver, he took the cask out, and the remainder of the brandy was saved. It was left to the jury to consider whether the injury arose from the negligence of the defendant's servant, the wagoner, in not examining the cask, after he was informed of its leaky state, at either of the places where he halted; and the jury found in the affirmative, and an application to set aside the verdict was refused by the King's Bench.

If he carries the goods without any compensation, paid or promised, he is, in the language of the law, a gratuitous bailee, or mandatary; he is now bound only to slight care; which is such care as every person, not insane or fatuous, would take of his own property. For the want of this care, which would be gross negligence, he is responsible, but not for ordinary negligence. In an early English case, on which much of the law about carriers is founded, the defendant undertook to remove several hogsheads of brandy, then in a cellar in D., and safely lay them down again in a certain other cellar in Water Lane; and the defendant and his servants managed so negligently that one of the casks was staved. And the court were unanimously of opinion, that, if a man undertakes to carry goods safely and securely, he is responsible for any damage they may sustain in the carriage through his negligence, although he was not a common carrier, and was to have nothing for his carriage.

Whether a private carrier has a lien on the goods he carries, for his compensation, or, in other words, whether he may hold them until that be paid, is not certainly determined, but we think he has. If he incurs expenses about the goods, for sufficient reason, and in good faith, he has undoubtedly a lien on them for those expenses.

We sum up what may be said of the private carrier in the remark, that the general rules which regulate contracts and mutual obligations apply to the duties and the rights of a *private carrier*, with little or no qualification. But it is otherwise with a *common carrier*.

THE COMMON CARRIER.

The law in relation to the rights, the duties, and the responsibilities of a common carrier is quite peculiar. The reasons for it are discernible, but it rests mainly upon established usage and custom. And as these

usages have changed considerably in modern times, this law has undergone modifications, and on some points may be considered as even now in a somewhat uncertain state.

He is a common carrier "who undertakes, for hire, to transport the goods of such as choose to employ him from place to place"; or, as we should prefer to say, from some known and definite place or places to other known and definite place or places. He is one who undertakes the carriage of goods *as a business*; and it is mainly this which distinguishes him from the private carrier. In one or two of the courts of this country there has been a disposition to annul this distinction; and to affect all persons who carry goods for hire, whether casually and by special employment, or as a general business, with the same liabilities. But this disposition is not general, and we do not believe it will be permanent anywhere; for we see nothing in the condition of our country, or of our carrying business, which calls for this change in the law.

The rights and responsibilities of the common carrier may be briefly stated thus:—He is bound to take the goods of all who offer, if he be a carrier of goods, and the persons of all who offer, if he be a carrier of passengers; and to take due care and make due transport and delivery of them. He has a lien on the goods which he carries, and on the baggage of passengers, for his compensation. He is liable for all loss or injury to the goods under his charge, although wholly free from negligence, unless the loss happens from the act of God, or from the public enemy. These three rules will be considered hereafter.

Truckmen or draymen, porters, and others who undertake the carriage of goods for all applicants from one city or town to another, or from one part of a city to another, are chargeable as common carriers. So, proprietors of stage-coaches are chargeable as common carriers of passengers, and of the baggage of passengers; or of others, if they so advertise themselves. So are hackney-coachmen within their accustomed range.

If drivers of stages or omnibuses, commonly carry and receive pay for goods or parcels which are not the baggage of passengers, and are held out or advertised, or generally known, as so carrying them, they are common carriers of goods, and the proprietors are liable for the loss of such parcels, although neither they nor the drivers were in fault. But if there is no such habit or usage, and the driver receives such a parcel to be carried somewhere, and is paid for it, the driver carries it as a private carrier, and not as a common carrier, and is chargeable only for negligence or fault. And if the line of carriages is established for passengers, and the driver does not account for what is paid him for occasional parcels, but takes it as his own perquisite, the proprietors are not answerable even for the driver's fault or negligence, unless circumstances in some way bring the fault home to them.

In this country, in recent times, the business of carrying goods and passengers is almost monopolized by what are called expressmen, by railroads, or by lines of steam-packets along our coasts, or upon our navigable streams or lakes. These are undoubtedly common carriers; and although their peculiar method of carrying on this business is new, and will presently require from us especial consideration, there can be no doubt of their being, to all intents and purposes, common carriers.

Ordinary sailing-vessels are sometimes said to be common carriers.

We should be disposed to restrict this term, however, to regular packets; or, at most, to call by this name general freighting ships. It is not, however, necessary to consider this question, as water-borne goods are now almost always carried under bills of lading, which determine the relations and respective rights of the parties; and these we shall consider in an article on the Law of Shipping.

The boatmen on our rivers and canals are common carriers; and ferrymen are common carriers of passengers by their office, and may become common carriers of goods by taking up that business. A steamboat usually employed as a carrier may do something else, as tow a vessel out of a harbor, or the like; and the character of common carrier does not attach to this especial employment and carry with it its severe liabilities. Therefore, for a loss occurring to a ship in her charge while so employed, the owner of the steamer is not liable without negligence on his part, or on the part of those whom he employs.

The same person may be a common carrier, and also hold other offices or relations. He may be a warehouseman, a wharfinger, or a forwarding merchant. The peculiar liabilities of the common carrier (to be spoken of presently) do not attach to either of these offices or employments. Thus, a warehouseman is liable for loss of the goods which he takes for storage, only in case of his own negligence; he is not, as a common carrier is said to be, an insurer of the goods. The question then arises, when the liability of such a person is that of a warehouseman, and when it is that of a carrier.

If a carrier receives goods to be stored until he can carry them,—a canal boatman, for example,—or if, at the end of the journey, he stores them for a time for the safety of the goods or the convenience of the owner, while thus stored he is liable only as warehouseman. But if he puts them into his store or office only for a short time, and for his own convenience, either at the beginning or end of the transit (or journey), they are in his hands as carrier.

Where these relations seem to unite and mingle in one person, it may be said to be the general rule, that, wherever the deposit, in whatever place or building, is secondary and subordinate to the carriage of the goods, which is therefore the chief thing, the party taking the goods is a carrier; and otherwise a depositary only of some kind. If, therefore, goods are delivered to a carrier, or at his depot or receiving-room, with directions not to carry them until further orders, he is only a depositary, and not a carrier, until those orders are received; but when they are received, he becomes a carrier; and if the goods are afterwards lost or injured before their removal, he is liable as a common carrier. Thus, in a late case in Maine, it was held, where a railroad corporation, being common carriers, have a warehouse at which they receive goods for transportation, and goods are delivered there with instructions to forward them, while the goods remain in the warehouse for the convenience of the railroad, until they can be forwarded in the usual course of business, the railroad holds them as common carrier, and is liable for them as such. But if the goods are kept back in the warehouse for the convenience of the owner, and by his order, while they are so detained the railroad will not be liable as common carrier, but as depositary only. And instructions to forward goods forthwith may be inferred from an established course of

dealing between the owner and carrier, without direct evidence of instructions. But a recent case in Massachusetts, to be referred to more fully when speaking of the termination of a carrier's liability, throws perhaps some doubt on this rule.

THE OBLIGATION OF THE COMMON CARRIER TO RECEIVE AND CARRY GOODS OR PASSENGERS.

He cannot refuse to receive and carry goods offered, without good cause; for by his openly announcing himself in any way as engaged in this business, he makes an offer to the public which becomes a kind of contract as to any one who accepts it. He may demand his compensation, however; and if it be refused, he may refuse to carry the goods; nor is he bound to carry them if security be offered to him, but not the money. But if the freight money be not demanded, the owner of the goods, if he is able, ready, and willing to pay it, has all his rights although he does not make a formal tender of the money. A carrier may refuse if his means of carriage are already fully employed. But in England, in a case where a railway company, being common carriers, had issued excursion tickets for a journey, it was held they were not excused from carrying passengers according to their contract, upon the ground that there was no room for them in their conveyance; and that, in order to avail themselves of this answer, they should make their contract conditional upon their being room. If the common carrier cannot carry the goods without danger to them, or to himself, or other goods; or without extraordinary inconvenience; or if they are not such goods as it is his regular business to carry; he is excused for not carrying them. He is always entitled to his *usual* charge; but not to extraordinary compensation, unless for extraordinary service.

The common carrier of goods is bound to receive them in a suitable way, and at suitable times and places. If he has an office or station, he must have proper persons there, and proper means of security. During the transit, and at all stopping-places, due care must be taken of all goods; and that means the kind and measure of care appropriate for goods of that description. If he have notice, by writing on the article, or otherwise, of the need of peculiar care—as, "Glass, with great care," or "This side uppermost," or "To be kept dry,"—he is bound to comply with such directions, supposing them not to impose unnecessary care or labor. Thus, in a Massachusetts case, where a box containing a glass bottle filled with oil of cloves was delivered to a sailing packet, to be carried from Philadelphia to Boston, marked, "Glass—with care—this side up," it was held that this was a sufficient notice of the value and nature of the contents to charge him for the loss of the oil, occasioned by his disregarding such direction, although the defendants contended that the bottle was not strong enough, and was badly packed. The court said, that as the carriage is a matter of contract, as the owner has a right to judge for himself what position is best adapted to carrying goods of this description with safety, and to direct how they shall be carried, and as the carrier has a right to fix his own rate of carriage, or refuse altogether to take the goods with such directions, the court are all of opinion, that, if a carrier accepts goods for carriage thus marked, he is bound to carry the goods in the manner and position required by the notice.

If he carry passengers, he must receive all who offer. In one case in New Hampshire it was decided that the proprietors of a stage-coach, who hold themselves out as common carriers of passengers, are bound to receive all who require a passage, so long as they have room, and there is no legal excuse for a refusal; and that it was not a lawful excuse that they ran their coach in connection with another coach, which extended the line to a certain place, and had agreed with the proprietor of such other coach not to receive passengers who came from that place on certain days, unless they came in his coach. The defendant was one of the proprietors and driver of a stage-coach running daily between Amherst and Nashua, which connected at the latter place with another coach running between Nashua and Lowell, and thus formed a continuous mail and passenger line from Lowell to Amherst and onward to Francestown. A third person ran a coach to and from Nashua and Lowell, and the defendant agreed with the proprietor of the coach connecting with his line, that he would not receive passengers who came from Lowell to Nashua in the coach of such third person, on the same day that they applied for passage to the places above Nashua. The plaintiff was notified at Lowell of this arrangement, but notwithstanding came from Lowell to Nashua in that coach, and there demanded a passage in the defendant's coach to Amherst, tendering the regular fare. Upon these facts, it was held that the defendant was bound to receive him, there being sufficient room, and no evidence that the plaintiff was an unfit person to be admitted, or that he had any design of injuring the defendant's business. But this obligation of the passenger carrier is subject to the conditions, that there is sufficient room, that the person applying for carriage is a fit person to be received as a passenger, and that he has no design to interfere in any way with the carrier's interests, or to disturb his line of patronage. So all persons may be excluded who refuse to obey the reasonable regulations which are made for the government of the line; and the carrier may rightfully inquire into the habits or motives of passengers who offer themselves.

An action was brought before Judge Story, in the Circuit Court of the United States, sitting in Boston, against the proprietor of a steamboat, running from New York to Providence, for refusing to receive the plaintiff on board as a passenger. The plaintiff was the known agent of the Tremont Line of Stage-coaches. The proprietors of the steamboats President and Benjamin Franklin had, as the plaintiff knew, entered into a contract with another line, called the Citizens' Stage-coach Company, to carry passengers between Boston and Providence, in connection with the boats. The plaintiff had been in the habit of coming on board the steamboat at Providence and Newport, for the purpose of soliciting passengers for the Tremont Line, which the proprietors of the President and Benjamin Franklin had prohibited. It was held, that if the jury should be of opinion that the above contract was reasonable and *bona fide*, and not entered into for the purpose of an oppressive monopoly, and that the exclusion of the plaintiff was a reasonable regulation, in order to carry this contract into effect, the proprietor of the steamboat would be justified in refusing to take the plaintiff on board.

In a case tried before the Supreme Judicial Court of Massachusetts, it was held, that if an inn-keeper who has frequently entered a railroad de-

pot, and annoyed passengers, by soliciting them to go to his inn, receives notice from the superintendent of the depot that he must do so no more, and he, nevertheless, repeatedly enters the depot, for the same purpose, and afterwards obtains a ticket for a passage in the cars, with a *bona fide* intention of entering the cars as a passenger, and goes into the depot on his way to the cars, and the superintendent, believing that he has entered the depot to solicit passengers, orders him to go out, and he does not exhibit his ticket nor give notice of his real intention, but presses forward towards the cars, and the superintendent and his assistants therefore forcibly remove him from the depot, using no more force than is necessary for that purpose, such removal is justifiable, and not an indictable assault and battery.

A common carrier is bound to carry his passengers over the whole route, and at a proper speed, or supply proper means of transport; to demand only a reasonable or usual compensation; to notify his passengers of any peculiar dangers; to treat all alike, unless there be actual and sufficient reason for the distinction, as in the filthy appearance, dangerous condition, or misconduct of a passenger; and to behave to all with civility and decorum.

He must also have proper carriages, and keep them in good condition, and not overload them; and suitable horses and drivers: stop at the usual places, with proper intervals for rest or food; take the proper route; and drive at proper speed; and leave the passengers at the usual stopping-places, or wherever he agrees to. In none of these things can he depart from what is usual and proper at his own pleasure. And if, by any breach of these duties, a passenger is injured, the carrier is responsible. So if he puts his passengers in peril, and one of them be hurt by an effort to escape, as in jumping off, it is no defence of the carrier to show that he would have been safe if he had remained.

In England, it was held that a common carrier who had received a pickpocket as a passenger on board his vessel, and taken his fare, could not put him on shore so long as he was not guilty of any impropriety. But this may be doubted. The common carrier must certainly employ competent and well-behaved persons for all duties; and for failure in any of the particulars of his duties and obligations, he is responsible not only to the extent of any damage caused thereby, but also, in many cases, for pain and injury to the feelings. He is also bound to deliver to each passenger all his baggage at the end of his journey; and is held liable if he delivers it to a wrong party on a forged order, and without personal default.

Lastly, he must make due delivery of the goods to the sender, or to the person whom the sender may appoint, at the proper time, in the proper way, and at the proper place. As to the party to whom the goods should be delivered, he should be the owner or sender, or some one authorized by him. In a case in Massachusetts, it was held, that if A, for whom goods are transported by a railroad company, authorizes B to accept the delivery thereof, and to do all acts incident to the transportation thereof to A, and B, instead of receiving the goods at the usual place of delivery, requests the agent of the company to permit the car which contains the goods to be hauled to a near depot of another railroad company, and such agent assents thereto, and assists B in hauling the car to such depot, and

B then requests and obtains leave of that company to use its machinery to remove the goods from the car, then the company that transported the goods is not answerable for the want of care and skill in the persons employed in so removing the goods from the car, nor for the want of strength in the machinery used for the removal of them, and cannot be charged for any loss that may happen in the course of such delivery to A.

If a party authorized to receive the goods refuse, or is unable to do so, the carrier must keep them for the owner, and with due care; but now under the liability of a warehouseman, and not of a carrier. In a case in New York, where the consignee of certain kegs of butter, sent from Albany to New York by a freight barge, was a clerk, having no place of business of his own, and whose name was not in the city directory, and who was not known to the carrier, and after reasonable inquiries by the carrier's agent could not be found, it was held that the carrier discharged himself from further responsibility, by depositing the property with a storehouse-keeper, then in good credit, for the owner, and taken his receipt for the same, according to the usual course of business in the trade, though the butter was subsequently sold by the storehouse-keeper, and the proceeds lost to the owner by failure. The court there said, that when goods are safely conveyed to the place of destination, and the consignee is dead, absent, or refuses to receive, or is not known, and cannot, after due efforts are made, be found, the carrier may discharge himself from further responsibility by placing the goods in store with some responsible third person in that business, at the place of delivery, for and on account of the owner. When so delivered, the storehouse-keeper becomes the bailee and agent of the owner in respect to such goods.

So the carrier must keep the goods for the owner, if he has good reason to believe that the consignee is dishonest, and will defraud the owner of his property. As to the time when goods should be delivered, it must be within the proper hours for business, when they can be suitably stored; or if the goods are delivered to the sender himself, or at his house, then at some suitable and convenient hour.

In a case in Connecticut, a common carrier received from the plaintiff a package of money, to convey it from S. to P., and deliver it at the bank in P.; it appeared that when the defendant (the carrier) arrived at P. the bank was shut; that he went twice to the house of the cashier, and, not finding him at home, brought the money back, and offered it to the plaintiff, who declined to accept it, and that the defendant then refused to be further responsible for any loss or accident; it was held that, in the absence of any special contract, (none being proved in this case,) these facts did not constitute a legal excuse to the defendant for the non-performance of his undertaking.

There must be no unnecessary delay, and the goods must be delivered as soon after a detention as may be with due diligence. In an English case, it appeared that a parcel had been delivered to the defendants in London, on the 8th of August, addressed to the plaintiff at Birmingham, where it ought to have arrived on the 10th, but did not arrive until the 3d or 4th of September. It was held, upon this evidence, that the plaintiff was entitled to recover damages—the duty to deliver within a reasonable time being a term ingrafted by legal implication upon a promise or duty to deliver generally. As to the time of delivery a carrier is no in-

surer, but is liable only for default; and in some cases a considerable period of detention will not discharge the carrier's obligation. Thus, in an English case, where the defendant contracted to carry the plaintiff's goods, from Liverpool to Leghorn, and on the vessel's arrival at Falmouth, in the course of her voyage, an embargo was laid on her "until the further order of Council;" it was held that such embargo only suspended, but did not dissolve the contract between the parties; and that even after two years, when the embargo was taken off, the defendants were answerable to the plaintiff in damages, for the non-performance of their contract.

As to the way and the place at which the goods should be delivered, much must depend upon the nature of the goods, and much also upon the usage in regard to them, if such usage exists. A somewhat remarkable case on this point was decided in Vermont. The defendants were common carriers on Lake Champlain, from Burlington to St. Albans, touching at Port Kent and Plattsburg, long enough to receive freight and passengers. This action was brought against them to recover for the loss of a package of bank-bills. It appeared in evidence, that the package in question, which was directed to "Richard Yates, Esq., Cashier, Plattsburg, N. Y.," was delivered by the teller of the plaintiffs' bank to the captain of the defendants' boat, which ran daily from Burlington to Plattsburg, and thence to St. Albans, and that, when the boat arrived at Plattsburg, the captain delivered the package to one Ladd, a warfinger, and that it was lost or stolen while in Ladd's possession. No notice was given to the consignee by the captain of the boat of the arrival of the package, nor had he any knowledge of it until after it was lost. The principal question in this case was, whether the package was sufficiently delivered to discharge the defendants from their liability as carriers. The defendants offered evidence to show that a delivery to the wharfinger, without notice, under the circumstances of the case, was a good delivery, according to their uniform usage, and the usage of other carriers similarly situated. The case was before the Supreme Court of Vermont three times, and the court, upon each occasion, held that, in the absence of any special contract, a delivery to the wharfinger, without notice, if warranted by the usage of the place, was sufficient, and discharged the defendant from liability.

The goods should be so left, and with such notice, as to secure the early, convenient, and safe reception of them by the person entitled to have them. Something, also, must depend, on this point, on the mode of conveyance. A man may carry a parcel into the house, and deliver it to the owner or his servant; a wagon or cart can go to the gate, or into the yard, and there deliver what it carries. A vessel can go to one wharf or another; and is bound to go to that which is reasonably convenient to the consignee, or to one that was agreed upon; but it is said a vessel is not bound to comply with requirements of the consignee as to the very wharf the goods should be left at, but may leave the goods at any safe, convenient, and accessible wharf at which such goods are usually left.

Where not delivered to the owner personally, or to his agent, immediate notice should be given to the owner. In fact, it may be said, that the carrier cannot be made responsible without a notice of delivery to him, unless the delivery is itself a notice; and so, also, he cannot make

adequate delivery without similar notice. But if the carrier has pointed out a place or way of delivery to himself, as at his station or in his box, he must take notice; and if the owner has in any way designated how the goods may be delivered to himself, he is bound by it. The notice must be prompt and distinct. And if the goods are delivered at an unsuitable or unauthorized place, no notice will make this a good delivery.

Railroads terminate at their station, and although goods might be sent by wagons to the house or store of consignees, this is not usually done, as it is considered that the railroad carrier has finished his transit at his own terminus. Usually, the consignee of goods sent by railroad has notice from the consignor when to expect them; and this is so common, that it is seldom necessary, in fact, for the agent of the railroad to give notice to the consignee. But this should, we think, be given where it is necessary; and should be given as promptly, directly, and specifically, as may be necessary for the purpose of the notice. In a recent case in Massachusetts, the court appear to be of opinion, that the liability of a railroad company as carriers is terminated as soon as the goods are unladen from their car in their warehouse; and that afterwards they are only liable as warehousemen, or depositories, that is for their own fault. Indeed, it was distinctly held that the proprietors of a railroad, who transport goods over their road for hire, and deposit them in their warehouse without additional charge, until the owner or consignee has a reasonable time to take them away, are not liable as common carriers for the loss of the goods by fire, without negligence or default on their part, after the goods are unladen from the cars and placed in the warehouse, but are liable as warehousemen only, for want of ordinary care; although the owner or consignee has no opportunity to take the goods away before the fire. But this decision seems to go very far indeed.

A railroad company may be compared to owners of ships in this respect, that they cannot take either the cars or the ships farther than the station or the wharf, and therefore may deliver the goods there. But a carrier by water is bound to give notice that the goods are on the wharf, and is not exhonerated as carrier until he gives such notice; whereas, in this very case, the court intimate that a railroad company is not bound to give notice. The law on the point when the responsibility of a railroad company as a common carrier ends, is not yet settled; nor will it be until it is determined by statutes, by further adjudication, or by established and general usage.

It may happen that some third party may claim the goods, under a title adverse to that of the consignor or consignee. If the carrier refuse to deliver them to this third party, and it turns out that the claimant had a legal right to demand them, the carrier would be liable in damages to him. But the carrier may, and should, demand full and clear evidence of the claimant's title; and, if the evidence be not satisfactory, he may demand security and indemnity. If the evidence or the indemnity be withheld, he certainly should not be held answerable for anything beyond that amount which the goods themselves would satisfy, for he is in no fault. If he delivers the goods to such claimant, proof that the claimant had good title is an adequate defence against any suit by the consignor or consignee for non-delivery. In a case in Pennsylvania, the defendants were common carriers of goods between New York and Philadelphia,

and had signed a receipt for certain goods as received by A, which they promised to deliver to his order. In an action by the indorsees of this receipt, who had made advances on the goods, it was held that the defendants might prove that A had no title to the goods, but that they had been fraudulently obtained by him from the true owner; and that, upon demand, they had delivered them up to the latter. The same doctrine has also been held in New York.

COMMERCIAL CHRONICLE AND REVIEW.

THE CHANGE OF SECRETARIES—MR. FESSENDEN AND THE BANKS—THE NEW LOAN PUT UPON THE MARKET—THE SCARCITY OF GREENBACKS CAUSED BY THE RISE IN PRICES—PRICES OF GOVERNMENT STOCKS—RE-EXPORT OF EXPORTED GOODS—PRICES OF GOLD AND EXCHANGE, ETC.

THE situation of the Federal Treasury, resulting from the change of Secretaries, in the midst of the most pressing financial difficulties, has continued to exercise an overshadowing influence upon the markets generally. The new Secretary has not yet adopted any decided "policy," and in this has, to some extent, disappointed the public expectation. The public mind had become long since wearied with the suspense in which it had, for more than two years, been kept by Mr. CHASE, who continually condemned the paper system while he perseveringly pursued it. Some change in this respect was wanting. There is nothing so detrimental to the interests of business, and, consequently, to those of the Treasury, as uncertainty. Mercantile affairs very soon accommodate themselves to the grooves in which they are to run, if only those grooves are permanent, and an assurance of that was earnestly looked for. It is no doubt the case that the legislation devised for Congress, by Mr. CHASE, had become the rule of action for his successor; but that legislation had always been at such loose ends as to allow the Treasury action to vibrate from the extreme of contraction to the extreme of expansion. The question was then will Mr. FESSENDEN continue the same tortuous course, or will he promptly avow himself in favor of husbanding the taxes, and borrowing his deficits at the market rate?

Mr. FESSENDEN took a few days to decide whether he should accept the office, but finally, on the 5th July, entered upon the discharge of the duties. The remnant of Mr. CHASE'S loan had been put upon the market again for offers, at a *minimum* of 104, bids to be opened July 6. That loan was withdrawn. On the 11th July, Mr. FESSENDEN arrived in town, and had a meeting with the Bank officers and financial notables on the 12th. The attendance was large, and representing the financial talent of the city. Mr. WILLIAMS was called to the chair, and Mr. LYMAN, of the Clearing House, appointed secretary. Mr. FES-.

SENDEN was introduced, and spoke for about three-fourths of an hour, making a very favorable impression upon all present. His manner, as well as the treatment of his subject, was in striking contrast with the exhibitions made on some former occasions. After he had set forth the reasons which had induced him to accept the position he holds, and had spoken candidly of the wants of the Treasury and the extent of the means to be anticipated for their supply, a committee of nine bank officers was appointed to see what the banks could do toward meeting his wishes. Mr. MOSES TAYLOR was chairman of the committee, and they agreed unanimously to recommend the loaning of fifty million dollars to the Treasury, by the Banks of New York, Philadelphia, and Boston, for an issue of seven and three-tenths Treasury notes, provided the Secretary would allow the money to be simply credited to the Government, and checked for as credits are drawn by private borrowers. Mr. FESSENDEN hesitated only in regard to his authority to adopt the condition named. A strong influence was brought to bear to induce him to do what Mr. CHASE had so frequently done, viz., draw the whole out of the Banks at once, and place it with the National Banks for their profit: thus giving them the power of creditors over the old Banks while they profited by the public money. It was finally decided, however, that the Sub-Treasury law, as far as it remains unrepealed, restrains the Secretary from using the old Banks as depositaries by drawing directly upon them. It being well understood that it was impossible for the Banks to make the loan in any other manner, the negotiation fell through, with, however, the best understanding.

There was nothing further done, in relation to extraordinary means for the Treasury, until the 25th of July, when notice of a new loan was put out under the authority of the act of June, 1864, in which it was stated that subscriptions would be received (by the Treasurer of the United States, the several Assistant Treasurers and designated Depositaries, and by the National Banks designated and qualified as depositaries and financial agents,) for treasury notes payable three years from August 15th, 1864, bearing interest at the rate of seven and three-tenths per cent. per annum, with semi-annual coupons attached, payable in lawful money. These notes are to be convertible, at the option of the holder, at maturity, into 6 per cent gold bearing bonds, redeemable after five, and payable twenty years from August 15th, 1867. The notes will be issued in denominations of fifty, one hundred, five hundred, one thousand, and five thousand dollars, and in blank, or payable to order, as may be decided by the subscribers. All subscriptions must be for fifty dollars, or some multiple of fifty dollars. Interest will be allowed to August 15th on all deposits made prior to that date, and paid by the Department upon receipt of these original certificates. As the notes draw interest from August 15th, persons making deposits subsequent to that date must pay the interest accrued from the date of the note to the date of the deposit. Parties depositing twenty-five thousand dollars and upwards for three notes at one time, will be allowed a commission of one quarter of one per cent, which will be paid by the Treasury Department upon the receipt of a bill for the amount, certified to by the officer with whom the deposit was made. No deduction for commissions must be made from the deposits.

Accompanying these proposals was an appeal to the people, which was not of a character to inspire confidence, since it seemed to repeat Mr. CHASE's crudi-

ties, to the effect that the deranged state of the currency is imputable "to vicious speculation, a consequent increase of prices, and violent fluctuations." This savors too much of the theoretical politician, and too little of the practical financier. The address stated, however, that the revenues were now coming in more freely; also, that the internal tax, which gave but four and a half millions in June, 1863, gave fifteen millions in July, 1864; and that, under the new law, in July, the Treasury had frequently received $1,000,000 per day. This is calculated to inspire faith in the future.

The notes offered are like the seven-thirty three year bonds emitted August, 1861, with the exception that the interest is payable in paper money. They are convertible, at maturity, into the same long twenty year 6 per cent gold interest bonds. These notes are not legal-tender.

The progress of the public debt, per official reports, has been as follows:—

UNITED STATES DEBT.

	In Coin.	Paper.	No Interest.	Total.
May	14..817,089,112 55	405,515,023 00	502,216,790 97	1,730,870,926 88
June	14..837,941,091 80	379,700,802 58	501,753,274 50	1,736,654,040 00
July	12..864,109,819 67	406,330,010 21	530,593,739 46	1,795,033,569 00
"	19..884,598,841 80	402,181,049 26	509,423,475 88	1,796,203,366 94
"	26..883,867,841 80	404,553,520 59	517,102,202 51	1,805,523,564 90

During the negotiations and hesitations on the part of the Treasury, referred to above, business generally remained in abeyance, and money (greenbacks) was exceedingly scarce. The pay of the troops had fallen due July 1, and required a considerable supply of small notes: while the flow of money to the interior, for the purchase of the crops, was considerable, since the rise in prices required increased quantities. The value of most crops, as measured in money, far exceeds this year that which was apparent last year, and the drain upon the supply of paper is necessarily much greater. Where prices of merchandise and goods rise, the amount of money that remains in the hands of dealers, operatives and manufacturers, is very much larger than at times when prices are lower. Thus, a manufacturer who has one hundred hands to pay off on Saturday, will require $800 when wages average $8; but he must have $1,700 to meet the same payment now. This money goes into the hands of persons who pay it out gradually through the week, getting no more for it than for the smaller sums, when prices were lower. The money thus remains in circulation, sinks, as it were, into the ground, and, notwithstanding its great supply, is, by a paradox, scarcer than ever. This phenomenon leads to the strange notion that "greenbacks are hoarded," as has been gravely stated by some very intelligent writers.

To illustrate, however, this phenomenon farther, we may take the fluctuations in gold. These fluctuations lead to the retention of paper money by many parties, with the view of buying it when it falls, and of selling when it again rises. Thus every succeeding rise in the price of gold will draw a larger sum of paper from the market, to be returned for gold when its price shall again recede. If we suppose that $10,000,000 in gold are, in the whole country, held in this way, that amount may have cost $16,000,000 last February; but it would, on being sold in July, have caused a demand for $28,000,000 to pay for it. Thus

the rise in that article would cause a demand for $12,000,000 more legal-tender than the same commodity represented a few months before. So, too, in regard to the wool clip, which now falls due, and is to be purchased. Its weight is usually 50,000,000 lbs. Two years since the price was 46 cents, and the crop required $23,000,000. The price is now $1, and the crop requires $50,000,000. Throughout the long list of articles dealt in, the same effects are produced, and not the least among them is the pay of the army, which recurs every sixty days, and which amounted, last year, to $40.000,000, but now requires $60,000,000, mostly in small notes. These are paid to soldiers, through whose hands it finds its way to families in every State, and percolates through all the channels of business back to the great centres in the course of the sixty days. Thus, the unceasing rise in prices, caused mostly by Government currency, war expenditure, injured crops, diminished production, &c., continually absorbs more greenbacks, puzzling those who regard merely the volume of the emissions as the index of supply. The fact is that the more *currency* there is out the less *money* there really is, because the currency represents less capital. These phenomena have been particularly marked during the past month. The rate of money has been very high, and most prices of stocks downward in their tendency. The rates of the leading Government Stocks were as follows :—

PRICES UNITED STATES PAPER.

	—6's, 1881.—			7 3-10,	1 year certif.		
	Reg.	Coup.	5's, 1874.	3 years.	Old.	New.	Gold.
January 2..	104⅝	105¼	96	106¼	101¼	97⅝	151¼ a 151⅝
" 9..	104⅝	105¼	96	166¼	102	97⅝	152 a 152¼
" 16..	104	105¼	96	106¼	102¼	97⅞	155 a 155¼
" 23..	106	107	97	107	103	97	156 a 158
" 30..	106⅛	106	100	107¼	102⅝	97⅛	156¼ a 156⅝
February 6..	107⅛	107¼	100	108	102⅝	98⅛	159⅛ a 159⅝
" 13..	109⅛	109⅛	100	109¼	103	98⅛	159¼ a 159¼
" 20..	111¼	110	100	111	103	99¼	159⅛ a 161
" 27..	111¼	110¼	100	111	103	99¼	159⅛ a 161
March 5..	111¼	111	100	111	103¼	99⅛	161¼ a 161¼
" 12..	112	112	100	110¼	103	99⅛	162¼ a 162⅛
" 19..	112	112¼	100	110¼	103	99¼	162 a 162¼
" 26..	112	112¼	100	111¼	103	99¼	169⅛ a 179
April 2..	111	110	100	111	...	99¼	166⅛ a 167½
" 9..	112	112	102	111¼	...	99¼	169¼ a 170
" 16..	107¼	112¼	102	112	...	99	173 a 189
" 23..	105¼	108	109	109	...	97	174⅛ a 179
" 30..	114	114	102	111	...	98¼	179¼ a 179⅝
May 7..	113	113	102	109¼	...	98¼	173⅛ a 173⅛
" 14..	114	114¼	102	111	...	98¼	172½ a 172½
" 21..	114	114	102	111	...	98¼	183 a 183½
" 28..	114	114	102	111	...	98¼	186 a 186½
June 4..	109	113¼	102	109⅛	...	98	190⅛ a 191
" 11..	108	113	102	108½	...	97⅞	198½ a 198½
" 18..	107	112	102	107	...	97	195½ a 196
" 25..	104½	112	102	106½	...	96½	212 a 216
July 2..	104½	111	102	105½	...	94	235 a 240
" 9..	104	104	102	105	...	94	266½ a 267
" 16..	102⅛	102⅛	102	103½	...	94½	244 a 285
" 23..	102½	102½	102	103½	...	92½	250 a 268

These figures indicate not only the tightness of money, which was very great, forcing the one year certificate 6 per cent in paper down to 92½, (a rate which

gives 13½ per cent for the money, realisable in an average of ten months); but, also, the fears felt in relation to the course of the Secretary. A very large proportion of the loans that have been heretofore negotiated are still upon the market for sale, and the hope of the holders was that continued inflation of the currency would put the rates up to enable them to realize at a profit. When, however, it was proposed to sell 6 per cent stocks at the market rate, the prices of the long stocks began to sink, and the 6's of '81 reached 102½, with gold at 280, a rate equal to 36 cents per dollar. When, however, the new loan was announced in seven-thirty three year bonds, the price of the long sixes began to rise, thus showing the sacrifice of the Treasury interests to those of stock speculators. The subscriptions to the seven-thirty, on the 28th July, were $2,500,000.

Money, at the close of July, became rapidly more abundant. The greenbacks that had been sent into the country to buy crops began to flow back to the city for investment, and the supply of money was more free.

The rise in the value of money, and the great advance in gold and exchange, produced an important change in the currents of business; for the effect of this rise, and of the new duties, was such as to carry the cost of imported goods far above current prices, and cause re-exports of considerable quantities, many of them entitled to drawback. This checked the demand for gold, as well for remittance as for duties. The movement was as follows:—

SPECIE AND PRICE OF GOLD.

	1862.		1863.			
	Received.	Exported.	Received.	Exported.	Gold in bank.	Prem. on gold.
Jan. 2	.....	681,448	254,239	590,262	25,161,985	51¼ a 52
9	1,277,788	726,746	.....	1,216,204	25,122,002	51¾ a 52
16	.....	1,380,247	279,801	1,985,057	24,884,264	52¼ a 56¼
23	678,841	780,817	365,608	1,000,000	24,631,204	56 a 58
30	.....	1,331,027	324,864	668,747	24,203,632	56½ a ...
Feb. 6	301,860	1,277,000	.....	662,616	24,070,191	59½ a ...
13	359,987	1,152,846	363,198	1,219,808	23 521,453	95 a ...
20	.....	520,017	.....	325,632	22,523,918	59 a ...
27	285,394	1,377,016	407,057	531,700	22,301,687	165 a 61
March 5	1,243,551	733,643	512,358	629,803	21,220,653	61½ a 62
12	.....	3,540,550	.....	465,920	20,750,495	62 a 69
19	249,514	1,201,907	281,304	88,881	21,059,512	62 a 62¼
26	159,105	1,050,156	375,101	273,900	20,425,504	69½ a 70½
Apr. 2	250,778	473,385	273,429	168,912	19,527,665	63¾ a 68½
9	.....	607,059	302,344	345,471	20,924,287	67 a 71
16	217,602	158,437	269,522	1,002,384	21,687,670	71 a 89
23	256,604	629,855	.....	3,226,000	24,868,203	72½ a 79
30		294,998	282,376	1,271,836	24,087,343	77 a 85
May 7	205,057	451,827	282,276	1,174,241	23,082,028	71 a 81
14		661,996		2,452,668	22,635,155	61¼ a 76¼
12	258,570	438,745	383,428	1,884,195	22,091,691	73 a 85
28	.....	279,994	.....	580,820	21,973,180	87½ a 92½
June 4	318,066	411,483	271,801	1,425,588	22,461,604	87 a 90½
11	.....	235,364	.....	1,543,600	24,041,704	92 a 99½
18	.....	522,147	291,208	1,886,663	22,916,291	94 a 98½
25	187,082	134,432	281,911	1,296,356	22,000,898	99 a 130
July 2	.....	347,807	.....	560,677	21,206,685	115 a 180
9 ...	254,947	401,936	301,207	486,339	20,084,917	122 a 176½
16	.....	2,190,781	.....	301,244	21,234,354	144 a 185
23	.....	1,725,748	249,095	556,464	21,033,912	150½ a 168¾
Total....	$7,293,803	$28,725,658	$7,491,031	$30,612,893		

These figures give the receipts and exports for gold, and the highest current prices in each week being the premium. The rate of bills mostly followed the price of gold; the rate for gold ranging 109¼ a 110. The prices of bills were as follows:—

RATES OF EXCHANGE.

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 2,.	166 a 166½	3.38¾ a 3.34½	62½ a 63	62¾ a 63½	55½ a 56	110½ a 111
" 9,.	166½ a 167¾	3.38½ a 3.40	62¾ a 63	62¾ a 63½	55¾ a 56½	110½ a 111
" 16,.	169½ a 170¾	3.30 a 3.32½	64 a 64½	64½ a 64¾	56½ a 57½	112¾ a 113¾
" 23,.	170 a 171	3.31 a 3.33	64½ a 64½	64½ a 65	56¾ a 57	112¾ a 113¾
" 30,	171 a 172	3.32½ a 3.28½	64½ a 64¾	64½ a 65	57½ a 57½	113½ a 114
Feb. 6,	174 a 175	3.26½ a 3.23¾	65½ a 66¾	65½ a 66	58 a 58½	115 a 116
" 13,	173 a 174½	3.27½ a 3.23½	65 a 65½	65½ a 65½	58½ a 58½	115½ a 116
" 20,	172½ a 174	3 27½ a 3.23¾	65½ a 65¾	65½ a 65¾	58½ a 58½	115½ a 116
" 27,	173½ a 174	2.26½ a 3.22	65½ a 65½	65¾ a 66	58¾ a 58¾	115¾ a 116½
Mar. 5,	174½ a 175¾	3.25 a 3.21½	65¾ a 66½	66 a 66½	58½ a 59	116 a 117
" 12,	177 a 178	3.15 a 3.18¾	66 a 66½	67 a 67½	59 a 59½	117½ a 118
" 19,	176 a 177	3.22½ a 3.18¾	65½ a 66½	66 a 66½	58½ a 59	116 a 117
" 26,	179½ a 182	3.15 a 3.10	67¾ a 68½	68 a 68¾	60½ a 61	120 a 121
April 2,	177½ a 181	3.18¾ a 3.12½	66¾ a 67	67 a 67¾	59½ a 60½	118 a 120
" 9,	184 a 185	3.08 a 3.06½	68½ a 69	68¾ a 69½	61½ a 62	121½ a 122
" 16,	189 a 191	2.97½ a 2.95	70 a 71	70½ a 71½	62½ a 64½	127 a 128
" 23,	190 a 192	3.05½ a 2.95	71½ a 71¾	71½ a 72	62¾ a 63½	124 a 125
" 30,	195 a 198	2.90 a 2.85	73 a 74	73½ a 74½	65 a 66	130 a 131
May 7,	192 a 195	2.96½ a 2.90	72 a 73	72½ a 73½	63½ a 64½	126 a 127
" 14,	192 a 187	2.95 a 3.02	71½ a 70¾	71½ a 71	62½ a 63	124 a 125
" 21,	196 a 198	2.87½ a 2.83½	74 a 75½	73½ a 75	65 a 66	130 a 131
" 28,	201 a 203½	2.81½ a 2.77½	75½ a 76¾	75½ a 76½	67 a 67½	134 a 135
June 4,	218 a 210	2.72½ a 2.68½	78 a 79	77½ a 74½	68½ a 69	135 a 136
" 11,	215 a 218	2.65 a 2.60	79 a 79½	78 a 79	71½ a 72	143 a 144
" 18,	216 a 219	2.64 a 2.88	79½ a 80½	80 a 80½	72 a 73	145 a 145½
" 25,	235 a 238	2.37½ a 2.41½	86 a 87	.. a ..	76 a 77	154 a 155
July 2,	270 a 295	2.15 a 1.92½	93 a 94	.. a ..	85 a 95	185 a 195
" 9,	292 a 298	1.95 a 1.87½	.. a ..	200 a215	96 a 98	184 a 188
" 16,	268 a 290	Nominal.				
" 23,	278 a 282	2.10 a 2.01½	.. a ..	101 a103	90 a 93	182 a 184

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

NATIONAL BANKS AND THE NEW LAW—CONDITION OF THE OLD BANKS—SOME OF THEM GOING INTO LIQUIDATION—PUBLIC MONEY IN NATIONAL BANKS NOT PROFITABLE—LOANS AND DEPOSITS OF OLD BANKS—BANK RETURNS OF THREE CITIES—FINANCES OF ENGLAND—SHIPMENTS OF GOLD TO AND FROM—PRODUCTION OF THE VICTORIA GOLD FIELDS—BANK RETURNS—BANK OF FRANCE RETURNS, ETC.

The operations of Banks under the National Bank Law have been very moderate since the enactment of the new bill and the change in the Secretary. The times are exceedingly unpropitious for the establishment of new Banks on purely business principles, since the present and prospective course of commerce and the currency is not such as to encourage the creation of any of those credits which constitute the basis of banking business. The most of the means of the old Banks have long since been absorbed in Government business,—the institutions having become more loan offices than Banks. Their position has been, however, good; a considerable portion of their capital is in gold, and their means have been so placed in Government paper that, for the present, they are readily available in legal-tender paper, applicable to the discharge of all debts. This situation has been regarded by many as one highly favorable to advantageous liquidation, and should be availed of, rather than to encounter all the hazards which the future holds out for credit institutions. Some institutions—the Seventh Ward Bank, of New York city for instance—have acted upon this view, and gone into liquidation, making a dividend of forty per cent of the capital, in specie, and proceeding to wind up on terms highly favorable to stockholders.

The institutions, generally, have been the main prop of the Treasury during the war, and they have now no means to lock up in long loans. The larger part of those discounts that come under the head of commercial, are really loans to those who have dealings with the Government, and who require Bank aid only because the Government does not pay promptly. It is merely a question of direct or indirect loan to the Government, and latterly, where the balances due have all, under the influence of the National Banks, been rigidly demanded in greenbacks, the Banks have been forced on the defensive. The National Banks themselves have already learned that the use of the Government money is very far from being an unmixed good. When that money is placed with them there is hardly any mode of using it safely. It may be called for suddenly in greenbacks, and these not being procurable, loss or default is imminent. Some of the institutions that inaugurated the running offers for greenbacks have been most severely caught in the rebound. If the money is loaned out even on stocks at call, when payment is demanded it comes in the shape of checks, not always payable in greenbacks. There is, therefore, little profit or safety in Government

money. Some institutions adopted the plan of lodging money every day with the Treasury, at thirty days, with ten days notice, on six per cent certificates, and giving the notice at the same time, thus creating, at the end of forty days, a constantly recurring maturity, for a certain amount, which, if not wanted, may be re-deposited, with notice, and thus kept compounded. This has the disadvantage of placing money at least forty days out of reach.

The new banks are now of no probable use, either to the Government or to the public. They only continuely inflate the currency with notes, which, if ever uttered at all, should have been put out by the Treasury direct. The chances are that they will soon shrink up as rapidly as they expanded, and we should not be surprised to hear that the Bank Comptroller had also resigned, thus making three resignations—the head of the Treasury, the Assistant Treasurer, Mr. Cisco, and the Comptroller, Mr. McCulloch.

The following is an extract, from official sources, of the quarterly report of the National Banks, for the quarter ending with the month of March. From the Banks then organized 208 reports were received. We understand that for the quarter ending on the morning of the first Monday in July, there will be 373 reports to be received. By the subjoined abstract it will be seen that the whole number of bonds of the United States, owned by these banks, was, on the 30th of March, $41,175,203, as follows:

United States Bonds deposited for circulation	$25,484,700
do do do by Banks as U. S. depositaries	4,949,350
do do and other U. S. securities held by Banks	10,741,153
Total	$41,175,203

It also appears, that upon the deposit of $25,484,700 of bonds to secure circulation, there had, at that date, been issued $12,144,650, of which there were—

In circulation	$9,797,975
In the Banks	2,346,675
Total	$12,144,650

Abstract of the quarterly reports of the National Banks, for the quarter ending March 31, 1864:

ASSETS.

Loans and discounts	$29,583,559 78
Indebtedness of directors	1,744,876 10
Real estate, furniture, and fixtures	755,696 41
Expense account	352,720 77
Cash items and revenue stamps, and bills of solvent banks	3,316,912 36
Overdrafts	265,507 55
Due from banks and bankers	8,537,908 94
Due from National Banks	4,699,479 58
Specie and other lawful money	22,961,411 64
Remittances	992,951 60
U. S. bonds deposited for circulation	25,484,700 00
do do do do other purposes	4,949,350 00
do do and other U. S. securities	10,741,153 00
Other items	432,059 95
Total	$114,820,277 66

LIABILITIES.

Capital stock paid in		$42,204,474 26
Total notes furnished to banks	$12,144,650	
Notes in circulation		9,797,975 00
Profit and loss		1,625,656 87
Due to banks and bankers		6,814,930 40
Due to individuals and corporations		37,690,368 89
Due to U. S. Treasurer		13,584,544 86
Other items		3,102,337 38
Total		$114,820,287 66

Exhibit of the capital stock, bonds, and circulation of the National Banks of the United States at the close of the month of June, 1864:

State.	No. of N. Banks.	Capital Stock. Subscribed	State.	No. of N. Banks.	Capital Stock Subscribed
1—Maine	13	$1,825,000	18—Kentucky	1	200,000
2—New Hampshire	4	1,000,000	19—Missouri	7	1,709,000
3—Vermont	9	1,210,000	20—Nabraska Ter.	1	50,000
4—Massachusetts	36	10,361,000	21—West Virginia	2	150,000
5—Rhode Island	1	500,000	22—Delaware	1	100,000
6—Connecticut	16	4,140,000	23—New York	92	20,345,800
7—New Jersey	14	1,870,000	24—Pennsylvania	77	9,245,919
8—Dist. of Col.	1	500,000	25—Indiana	31	3,390,500
9—Maryland	8	1,560,000	26—Ohio	80	8,570,800
10—Virginia	1	100,000	27—Illinois	28	2,961
11—Louisiana	1	500,000			
12—Michigan	15	1,362,500	Gross am't of cap. of 469 banks		$74,371,519
13—Wisconsin	14	1,025,000			
14—Minnesota	1	250,000	Paid capital	$67,259,524	
15—Iowa	16	995,000	Bal. rem. unpaid.	7,111,995	
16—Kansas	1	100,000			
17—Tennessee	8	350,000	Total		$74,371,519

The gross amount and kinds of bonds deposited by the Banks to June 30, inclusive, is:

Register six per cent bonds	$18,168,750
Coupon do do do	18,012,100
Registered five do do	5,548,100
Coupon do do do	2,537,900
	$44,266,850
Total amount of circulation issued to same date	31,285,270
Difference less than amount of bonds	12,981,580
	$44,266,850

The National Banks have, as yet, done but little of the legitimate business of banking. At the close of March their loans and discounts were only $29,583,559, while their deposits were $51,274,912. This, at least, is conservative banking. This limited employment of the funds placed at the disposal of the banks is, of course, attributable to the banks having been so short a period in operation that they have formed only limited business connections. It has, however, this inconvenience, that, for the time, a large amount of money is kept idle, and may hence be reckoned among the minor causes that have contributed to the late stringency of the money market. It is, as yet, early to judge of the operation of these Banks from their actual results.

As a fiscal expedient, on the part of Mr. CHASE, they have not answered the expectations of their founder. On the 30th of June the National Banks had absorbed $44,266,850 for deposits in the Treasury to secure their circulation. At the same date, the circulation actually issued was only $31,285,270, or about twenty-five per cent below the amount authorized by law, to be issued upon the bonds to be deposited as security at the Treasury. The extension of the National Banking system has not yet been sufficiently important to perceptibly effect the operations of the State Banks.

The amount of capital paid into these institutions is unimportant compared with the aggregate banking capital of the country; and their circulation has not yet proved sufficiently large to materially aid the existing inflation. Now that the fostering aid of their parent is withdrawn, by the retirement of Mr. CHASE, the probability is that the further extension of these institutions will be gradually reduced by the natural operation of supply and demand; for banking institutions, like everything else, are ultimately regulated by that universal law.

The weekly returns of the old Banks of New York city, shows a continuation of the movement we pointed out last month, with a curtailment of the deposit line. This fell eleven millions in four weeks, showing a depression of twenty-seven millions since June 4. The figures are as follows:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $———; *Jan.*, 1863, $69,494,577.)

Date.	Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
January 2,..	$174,714,465	$25,161,935	$6,103,331	$140,250,856	$300,753,147
" 9,..	173,009,701	25,122,002	6,032,546	134,861,977	387,546,217
" 16,..	165,991,170	23,884,264	6,008,182	130,311,046	416,962,806
" 23,..	162,925,880	24,077,513	5,049,807	130,136,203	460,811,543
" 30,..	162,296,896	24,203,632	5,913,558	130,665,415	427,306,608
February 6,..	163,076,846	24,070,791	5,974,762	133,849,042	425,430,985
" 13,..	165,090,829	23,521,453	5,916,707	140,464,616	467,751,745
" 20,..	168,302,935	22,523,918	5,908,394	148,014,106	514,887,411
" 27,..	174,928,205	22,301,687	5,907,851	154,875,059	575,442,304
March 5,..	182,317,378	21,188,034	5,937,167	158,999,668	518,951,433
" 12,..	189,757,746	20,750,405	5,918,807	168,044,977	688,822,273
" 19,..	198,229,513	21,059,542	5,889,197	169,637,975	618,338,858
" 26,..	199,372,437	20,425,504	5,514,139	168,315,904	576,253,989
April 2,..	203,993,131	19,526,665	5,708,908	171,151,297	676,372,745
" 9,..	204,333,192	20,924,237	5,804,511	170,513,020	658,352,112
" 16,..	198,703,699	21,687,670	5,779,650	168,350,790	646,593,643
" 23,..	196,286,722	24,868,003	5,679,947	161,978,166	672,442,840
" 30,..	194,157,495	24,087,843	5,626,978	164,578,919	446,587,420
May 7,..	192881,246	23,082,028	5,594,832	168,562,197	410,052,013
" 14,..	194,178,921	22,635,155	5,482,857	174,426,682	413,552,127
" 21,..	197,356,939	22,091,691	5,367,855	173,111,884	486,884,114
" 28,..	195,813,462	21,973,180	5,240,812	171,765,696	410,972,198
June 4,..	196,740,609	22,461,604	5,180,639	174,516,367	477,648,207
" 11,..	194,935,822	24,041,704	5,049,457	172,537,248	445,519,165
" 18,..	195,773,583	22,916,291	4,959,096	169,445,767	431,158,427
" 25,..	197,077,002	22,000,988	4,807,195	168,772,982	442,840,362
July 2,..	198,089,016	21,206,685	4,752,917	164,989,844	452,583,531
" 9,..	199,699,742	20,084,917	4,696,107	163,525,977	336,521,426
" 16,..	199,043,887	21,284,354	4,724,538	161,816,947	466,125,408
" 23,..	190,885,761	21,033,912	4,688,892	147,981,325	403,144,195

The rule of the Banks, in carrying under the head of loans all that draws in-

terest, placed there, the six per cent deposit certificates that they hold from the Treasury. When under the pressure for money that was anticipated, from the loan offered by the Secretary, the price rose very high, and the Banks gave the necessary notice to have the six per cent deposits paid off. These notices fell due to some extent July 23d, and the loans showed a decline of over $8,000,000. The drain of deposits has also being very large on account of the country Bank balances being drawn down, the money being wanted in the interior. The operations of the Clearing House were reduced, however, to a very low figure, and the stock transactions for the month have been very small. The returns of the Boston Banks show a greater reduction in the loans than even those of New York. The Bank balances have also been drawn down to a remarkable extent:

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1862, $38,231,700.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,..	$76,805,343	$7,503,889	$9,625,043	$32,525,679	$12,831,000	$12,351,500
" 11,..	77,747,734	7,531,195	10,185,615	31,524,185	12,703,600	11,019,000
" 18,..	75,877,427	7,464,511	9,963,389	31,151,210	12,041,000	11,769,000
" 25,..	74,146,000	7,440,000	9,729,000	30,893,000	11,106,700	12,227,000
Feb 1,..	73,959,175	7,385,413	9,660,163	30,655,782	10,825,000	11,854,500
" 8,..	71,765,122	7,265,104	9,579,020	30,030,292	11,315,000	12,272,000
" 15,..	71,088,849	7,224,924	9,741,471	30,412,647	11,615,000	13,448,000
" 22,..	71,074,000	7,215,500	9,411,000	31,831,000	11,329,600	14,925,400
" 29,..	72,189,003	7,179,310	9,371,440	33,155,888	12,224,603	16,189,724
Mar. 7,..	72,687,863	7,108,519	9,606,818	33,688,017	12,313,829	16,535,992
" 14,..	72,105,111	7,052,181	9,490,311	33,891,204	12,704,181	17,315,231
" 21,..	73,207,121	7,033,721	9,548,211	35,090,181	13,092,531	17,266,741
" 28,..	73,485,514	7,016,086	9,210,096	34,859,508	13,352,706	17,071,782
April 4,..	71,838,506	6,856,708	9,442,082	32,861,609	13,601,005	15,786,091
" 11,..	72,620,348	6,932,192	10,447,916	33,324,978	15,094,360	17,362,371
" 18,..	72,328,396	6,869,726	10,331,806	33,510,054	14,447,997	17,054,244
" 25,..	72,538,611	6,952,498	10,938,991	31,810,971	14,715,981	15,790,498
May 2,..	71,270,181	6,642,798	10,127,097	31,461,499	14,206,581	14,206,592
" 9,..	69,471,481	6,716,484	10,521,591	31,172,584	12,801,000	16,239,000
" 16,..	68,888,581	6,644,493	10,126,478	31,633,071	12,500,671	16,201,083
" 23,..	66,683,510	6,573,181	9,899,193	36,605,191	11,871,719	15,733,691
" 30,..	69,201,301	6,541,201	9,681,204	34,391,208	11,101,307	15,925,201
June 7,..	67,093,500	6,509,181	9,160,621	32,771,821	10,875,181	16,130,720
" 14,..	67,942,400	6,524,207	8,771,181	33,305,220	10,710,089	15,057,131
" 21,..	68,880,121	6,507,021	8,983,121	32,740,201	11,681,602	14,790,012
" 28,..	69,691,000	6,470,600	9,068,712	30,865,101	12,260,080	12,872,111
July 5,..	66,950,111	6,290,521	9,574,009	29,940,102	11,880,312	13,809,002
" 12,..	66,452,107	6,301,101	9,936,491	32,260,004	11,806,002	13,434,528
" 19,..	66,979,000	6,246,211	9,890,081	30,584,101	10,003,181	13,942,001
" 26,..	59,978,511	5,733,010	9,775,481	27,905,491	9,151,111	13,473,621

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1862, $11,970,180.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,...	$35,698,808	$4,158,585	$2,055,811	$29,878,920	$4,316,763	$2,963,563
" 11,...	35,458,967	4,158,235	2,050,891	30,484,227	4,001,473	2,814,188
" 18,...	34,896,842	4,158,125	2,044,427	31,194,851	4,330,120	3,063,148
" 25,...	34,849,959	4,103,065	2,047,846	32,354,253	3,500,693	2,905,921
Feb. 1,...	34,345,126	4,108,109	2,056,532	32,027,147	3,453,431	3,271,806

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Feb. 8,...	34,146,677	4,102,671	2,066,069	31,033,030	4,080,059	2,461,873
" 15,...	34,590,880	4,102,748	2,069,061	29,911,704	4,822,609	2,080,750
" 22,...	35,059,676	4,102,598	2,119,488	30,783,741	4,463,751	2,099,778
" 29,...	35,519,704	4,102,848	2,167,348	31,435,753	4,837,264	2,114,227
Mar. 7,...	35,913,334	4,102,632	2,208,492	31,712,547	5,323,316	2,116,042
Mar. 14,...	35,956,678	4,099,707	2,308,250	32,511,405	5,508,146	2,333,819
" 21,...	36,412,923	4,099,664	2,340,182	32,835,038	6,933,974	2,428,227
" 29,...	36,695,415	4,096,401	2,357,768	33,156,496	5,791,191	2,724,935
April 4,...	37,262,220	4,095,495	2,390,092	34,404,607	5,641,638	3,425,805
" 11,...	37,032,110	4,093,461	2,379,827	35,958,444	5,855,277	3,799,151
" 18,...	39,535,334	4,095,387	2,329,590	38,174,046	5,748,257	3,291,176
" 25,...	39,570,567	4,095,475	2,253,386	37,893,247	6,067,966	2,592,465
May 2,...	39,770,436	3,972 349	2,241,885	37,758,836	6,374,531	2,730,540
" 9,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 16,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,858,894
" 23,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 30,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,858,894
June 7,...	39,723,493	3,694.320	2,100,927	38,249,800	5,993,116	3,186,259
" 14,...	40,286,433	3,964,758	2,077,753	38,367,171	5,930,707	3,007,282
" 21,...	40,286,488	3,964,529	2,074,273	37,588,203	6,403,664	2,998,548
" 27,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
July 4,...	40,918,009	3,955,836	2,154,258	37,945,305	6,225,952	4,325,450
" 11,...	40,717,527	3,949,105	2,337,651	37,312,423	6,197,570	4,658,667
" 18,...	40,731,324	3,948,440	2,208,068	36,462,271	6,189,843	3,616,992
" 26,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132

The returns of the Bank of England continue to show an increasing ease in the state of money, not only in England, but on the continent of Europe also. The Bank has greatly increased in strength, and the rate for money had a downward tendency. The shipments of gold, indeed, from England to distant countries, in payment of the unusual amount of material imported, is large, but the supply of the metals sets with a deeper current towards England.

The following table shows the total shipments of gold and silver from Great Britain, and Mediterranean ports, by the Indian steamers of the Peninsular and Oriental Steam Navigation Company, during the first six months of the present year:

TOTAL SHIPMENTS FOR SIX MONTHS.

	Gold.	Silver.
From Great Britain	£1,405,411	£3,489,681
Mediterranean Ports	622,276	4,315,662
Grand total	£2,027,687	£7,805,343

This is, in round numbers, $50,000,000 in six months, yet the supply seems rather enhanced than otherwise. The following tabular statement shows the mining population and production of the Victoria gold fields, from the year of discovery to the end of 1863:

Year ending Dec. 31.	Mining Population. Adults.*	Total.	Production. Quantity. oz.	d't.	grs.	Value. at 80s. st. per oz.
1851.....	19,000	20,300	145,146	14	16	£580,587
1852.....	33,000	44,400	2,724,933	5	1	10,899,733
1853.....	49,600	75,626	3,150,020	14	16	12,600,083
1854.....	62,250	92,853	2,393,085	9	19	9,568,262
1855.....	97,650	146,042	2,793,065	8	16	11,172,261
1856.....	110,500	118,000	2,985,695	17	0	11,942,783

1857.....	118,563	196,084	2,761,528	8	0	11,046,113
1858.....	126,685	205,320	2,528,157	19	12	10,112,752
1859.....	125,764	201,422	2,280,675	13	0	9,122,702
1860.....	118,562	224,977	2,156,660	10	0	8,626,642
1861.....	110,226	240,751	2,244,452	0	0	8,977,808
1862.....	99,742	234,202	1,817,408	0	0	7,269,632
1863.....	93,954	227,650	1,634,377	0	0	6,537,508
Total production in 13 years,.....			29,615,217	0	8	£118,456,866
Annual average.....			2,278,093	13	21	9,112,067

* Including Chinese.

If the gold leaves England for raw produce, at high prices, that produce is converted into goods at correspondingly high rates, and these are sold to producers of gold, thus swelling the supply by the same means.

The imports and exports into and from France, for the first five months of 1864, were as follows:

	Gold.	Silver.
The imports were.....	£7,934,673	£4,872,176
The exports.....	4,740,024	6,942,252
Excess of imports.....	£3,194,649	
do exports.....	2,070,076	

Taking the silver exports from the gold imports, it will appear that in the first five months of the present year the stock of precious metals increased by £1,124,573 in France.

As to the amount sent to the East, it was £1,325,220 in gold and £96,368 in silver for Egypt; £3,377,880 in silver for British India, and £141,624 in the last metal for China. In the whole, £4,941,092.

The East thus continues a heavy drain upon the gold supply, and this is aided by the apparent disposition to extend paper securities, thereby giving a steady impulse to the exit of the metals; as an indication of this the following is of interest, showing the total number of companies registered as limited companies, under the Joint Stock Companies Acts, from the commencement of the Joint Stock Companies Act of 1856 to the present time; total number of such companies wound up, or supposed to have been discontinued; total number remaining in operation; total amount of nominal capital of such companies; total number of shares into which that capital is divided; total number of shares taken; total amount of calls received; total number of shareholders:

1. Total number of companies registered as limited companies under the Joint Stock Companies Acts, from the commencement of the Joint Stock Companies Act of 1856 to the present time.....	3,830
(*a.*) Total number of such companies wound up, or supposed to have been discontinued.....	938
(*b.*) Total number remaining in operation.....	2,192
2. Total amount of nominal capital of such companies.....	429,103,622
3. Total number of shares into which that capital is divided.....	42,085,073
4. Total number of shares taken.....	10,110,556
5. Total amount of calls received.....	37,195,595
6. Total number of shareholders.....	209,126

[NOTE.—The returns for the last twelve months, as required by the act, not having been received in many cases, the amounts under 4, 5, and 6 are certainly greatly in excess of the numbers here given.]

Thus, an amount of capital, equal to *four* times the Victoria gold product, has, in the same period, been invested in new joint stock companies; a large portion of the capital has been in companies out of England, as that capital has been in demand more actively at one time than at another, the rate of interest has risen in London, and has been promptly corrected by the operations of the Bank, of which the returns are now as follows:

THE BANK OF ENGLAND RETURNS.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 2,...	21,685,732	7,284,894	12,924,545	31,980,889	13,048,475	8 per ct
" 9,...	20,801,207	8,629,856	12,981,276	32,622,659	13,008,617	8 "
" 16,...	20,382,764	9,103,738	13,265,068	32,303,049	13,675,474	7 "
" 23,...	20,273,799	10,266,546	12,711,637	32,270,286	14,217,067	7 "
" 30,...	20,686,538	10,841,991	13,021,212	33,438,154	14,862,605	7 "
Jan. 6, '64	21,322,304	10,001,982	13,052,604	33,486,952	14,196,754	7 "
" 13,...	21,396,420	5,264,097	15,411,794	31,726,575	11,708,597	7 "
" 20,...	21,445,793	5,689,074	13,879,877	31,445,860	12,974,109	8 "
" 27,...	20,875,825	6,337,246	13,406,627	31,017,449	13,022,220	8 "
Feb. 3,...	21,162,626	6,748,867	13,372,981	31,486,334	13,303,243	8 "
" 10,...	20,708,113	7,254,682	12,882,226	36,923,317	13,472,271	7 "
" 17,...	20,696,172	7,079,789	13,306,156	31,078,328	13,583,635	7 "
" 24,...	20,207,871	8,153,601	12,426,673	30,504,827	13,819,412	6 "
March 2,...	20,840,374	7,893,633	13,541,278	31,980,446	14,084,222	6 "
" 9,...	20,563,325	8,863,364	12,434,975	31,769,311	13,884,389	6 "
" 16,...	20,333,112	8,570,711	13,105,800	31,929,164	13,916,943	6 "
" 23,...	20,566,705	9,841,323	12,480,154	32,112,543	14,499,201	6 "
" 30,...	20,908,644	10,280,458	12,658,986	33,472,484	14,163,519	6 "
April 6,...	21,528,914	9,818,680	13,848,299	34,223,509	13,616,762	6 "
" 12,...	21,785,597	5,929,922	13,586,029	31,385,305	13,080,300	6 "
" 20,...	21,672,783	5,787,329	13,684,069	31,596,179	12,743,302	7 "
" 27,...	21,484,602	6,217,965	12,620,036	30,961,635	12,567,776	7 "
May 4,...	22,045,792	6,981,132	12,278,903	32,070,427	12,464,244	9 "
" 11,...	21,478,987	7,299,434	12,901,160	32,239,210	12,705,251	9 "
" 18,...	21,313,352	7,568,661	12,962,402	31,855,696	13,267,446	8 "
" 25,...	20,868,047	7,971,003	12,882,042	31,297,181	13,713,943	7 "
June 1....	21,246,840	8,286,719	12,493,776	31,329,121	14,052,761	7 "
" 8,...	20,766,405	8,748,510	11,966,204	30,711,740	14,043,129	7 "
" 15,...	20,597,557	8,512,311	12,790,361	30,884,192	14,304,205	6 "
" 22,...	20,623,207	9,287,594	13,051,661	31,948,856	14,319,061	6 "
" 29,...	21,153,606	10,213,535	12,590,244	33,297,897	14,197,849	6 "
July 6,...	21,890,068	9,489,130	13,471,415	34,286,592	13,980,809	6 "

The public deposits rose, as usual, in the last few weeks, previous to the payment of the quarterly dividends, July 1. The securities follow the same influence, and the reserve has now increased so as to place the institution in a very strong position.

The French Banks, from the 9th June, began to publish weekly returns, and these promise to be of a good deal of interest. They are as follows:

BANK OF FRANCE.

	Loans.	Specie.	Circulation.	Deposits.	Interest.
January —	fr.751,649,983	fr.169,027,010	fr.813,490,825	fr.159,797,667	7
February —	705,516,796	182,573,888	775,096,775	160,110,225	7
March —	642,135,993	195,994,738	746,610,375	142,925,719	6
April —	643,570,276	219,320,720	759,926,425	133,701,530	6
May —	683,332,517	242,824,609	767,443,475	178,434,305	8

June	— 577,309,524	294,892,295	725,381,925	156,685,209	6
"	23, 594,563,973	280,511,406	720,243.375	144,559,768	6
"	30, 676,605,538	277,544,816	766,609,875	165,668,712	6
July	7, 662,197,524	276,522,727	772,309,475	170,022,200	6

There was apparently a good deal of expansion movement on the part of the institution, and there is no doubt a disposition on the part of the powers that be to stimulate some activity of production in France, by promoting a more rapid circulation of capital through new credit agencies. Thus, the Minister of Finance, in a circular to the principal functionaries in his department, directs them to employ all means in their power to promote the circulation of Bank notes in the place of coin.

While great changes are being made in banking customs, with a view to remove many of the restraints formerly interposed to the circulation of credits, the Government, also, in execution of a promise it made a long while back, has directed the Council of State to draw up a bill for abolishing the usury laws. That such laws still exist in any country is a proof of the backward state of that country in economic matters. It is right, however, to mention that the Bank of France is exempted from them; but the exemption of that establishment, far from rendering them tolerable, is an additional reason for sweeping them away, seeing that, in commerce, exclusive privileges are odious and pernicious. Another reason why they should go is that they are not respected, and cannot be enforced.

When money in the market is worth more than the rate they fix, bankers, of course, do not sell it for less than the value:—they charge that rate, and then require for "commission" the further sum necessary to make up the full value. Thus the law is eluded, and yet the magistrates dare not prosecute the bankers.

Among new companies is the Societie Agricole et Industrielle, capital £1,000,000 in 50,000 shares of £20 each. The objects of this company is to reduce the cost of irrigation in Egypt, by the application of steam power. The soil of Egypt is of the most fertile kind, but requiring continual irrigation, and if cheap steam power were introduced, in place of the present barbarous and costly contrivances, the increase yearly would be enormous.

THE FOUR HUNDRED MILLION DOLLAR LOAN BILL.

Passed at the First Session of the Thirty-eighth Congress.

[PUBLIC.—No. ——.]

AN ACT to provide ways and means for the support of the Government, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be and he is hereby authorized to borrow from time to time, on the credit of the United States, four hundred millions of dollars, and to issue therefor coupon or registered bonds of the United States, redeemable at the pleasure of the government, after any period not less than five nor more than thirty years, or, if deemed expedient, made payable at any period not more than forty years from date. And said bonds shall be of such denominations as the Secretary of the Treasury shall direct, not less than fifty dollars, and bear an annual interest not exceeding six per centum, payable semi-annually in coin. And the Secretary of the Treasury may dispose of such bonds, or any part thereof, and of any bonds commonly known as five-twenties remaining unsold, in the United States, or, if he shall find it expedient, in Europe, at any time, on such terms as he may deem most advisable, for lawful money of the United States, or, at his discretion, for treasury notes, certificates of indebtedness, or certificates of deposit, issued under any act of Congress. And all bonds, treasury notes, and other obligations of the United States, shall be exempt from taxation by or under state or municipal authority.

SEC. 2. *And be it further enacted*, That the Secretary of the Treasury may issue on the credit of the United States, and in lieu of an equal amount of bonds authorized by the preceding section, and as a part of said loan, not exceeding two hundred millions of dollars, in treasury notes of any denomination not less than ten dollars, payable at any time not exceeding three years from date, or, if thought more expedient, redeemable at any time after three years from date, and bearing interest not exceeding the rate of seven and three-tenths per centum, payable in lawful money at maturity, or, at the discretion of the Secretary, semi-annually. And the said treasury notes may be disposed of by the Secretary of the Treasury, on the best terms that can be obtained, for lawful money; and such of them as shall be made payable, principal and interest, at maturity, shall be a legal tender to the same extent as United States notes for their face value, excluding interest, and may be paid to any creditor of the United States at their face value, excluding interest, or to any creditor willing to receive them at par, including interest; and any treasury notes issued under the authority of this act may be made convertible, at the discretion of the Secretary of the Treasury, into any bonds issued under the authority of this act. And the Secretary of the

Treasury may redeem and cause to be cancelled and destroyed any treasury notes or United States notes heretofore issued under authority of previous acts of Congress, and substitute, in lieu thereof, an equal amount of treasury notes such as are authorized by this act, or of other United States notes: *Provided*, That the total amount of bonds and treasury notes authorized by the first and second sections of this act shall not exceed four hundred millions of dollars, in addition to the amounts heretofore issued; nor shall the total amount of United States notes, issued or to be issued, ever exceed four hundred millions of dollars, and such additional sum, not exceeding fifty millions of dollars, as may be temporarily required for the redemption of temporary loan; nor shall any treasury note, bearing interest issued under this act, be a legal tender in payment or redemption of any notes issued by any bank, banking association, or banker, calculated or intended to circulate as money.

SEC. 3. *And be it further enacted*, That the interest on all bonds heretofore issued, payable annually, may be paid semi-annually; and in lieu of such bonds authorized to be issued, the Secretary of the Treasury may issue bonds bearing interest, payable semi-annually. And he may also issue in exchange for treasury notes heretofore issued bearing seven and three-tenths per centum interest, besides the six per centum bonds heretofore authorized, like bonds of all the denominations in which such treasury notes have been issued; and the interest on such treasury notes after maturity shall be paid in lawful money, and they may be exchanged for such bonds at any time within three months from the date of notice of redemption by the Secretary of the Treasury, after which the interest on such treasury notes shall cease. And so much of the law approved March third, eighteen hundred and sixty-four, as limits the loan authorized therein to the current fiscal year, is hereby repealed; and the authority of the Secretary of the Treasury to borrow money and issue therefor bonds or notes conferred by the first section of the act of March third, eighteen hundred and sixty-three, entitled "An act to provide ways and means for the support of the government," shall cease on and after the passage of this act, except so far as it may affect seventy-five millions of bonds already advertised.

Sec. 4. *And be it further enacted*, That the Secretary of the Treasury may authorize the receipt, as a temporary loan, of United States notes or the notes of national banking associations on deposit for not less than thirty days, in sums not less than fifty dollars, by any of the assistant treasurers of the United States, or depositories designated for that purpose, other than national banking associations, who shall issue certificates of deposit in such form as the Secretary of the Treasury shall prescribe, bearing interest not exceeding six per centum annually, and payable at any time after the term of deposit, and after ten days' subsequent notice, unless time and notice be waived by the Secretary of the Treasury; and the Secretary of the Treasury may increase the interest on deposits at less than six per centum to that rate, or, on ten days' notice to depositors, may diminish the rate of interest as the public interest may require; but the aggregate of such deposits shall not exceed one hundred and fifty millions of dollars. And the Secretary of the Treasury may issue, and shall hold in reserve for payment of such deposits, United States notes not exceeding fifty millions of dollars, including the amount already applied in such payment; and the United States notes

so held in reserve, shall be used only when needed, in his judgment, for the prompt payment of such deposits on demand, and shall be withdrawn and placed again in reserve as the amount of deposits shall again increase.

SEC. 5. *And be it further enacted*, That the Secretary of the Treasury may issue notes of the fractions of a dollar as now used for currency, in such form, with such inscriptions, and with such safeguards against counterfeiting, as he may judge best, and provide for the engraving and preparation, and for the issue of the same, as well as of all other notes and bonds, and other obligations, and shall make such regulations for the redemption of said fractional notes and other notes when mutilated or defaced, and for the receipt of said fractional notes in payment of debts to the United States, except for customs, in such sums, not over five dollars, as may appear to him expedient. And it is hereby declared that all laws and parts of laws applicable to the fractional notes engraved and issued as herein authorized apply equally and with like force to all the fractional notes heretofore authorized, whether known as postage currency or otherwise, and to postage stamps issued as currency; but the whole amount of all descriptions of notes or stamps less than one dollar, issued as currency, shall not exceed fifty millions of dollars.

SEC. 6. *And be it further enacted*, That the coupon and registered bonds shall be in such form and bear such inscriptions as the Secretary of the Treasury may direct, and shall be signed by the Register of the Treasury, or for the Register, by such person or persons as may be specially designated for that purpose by the Secretary of the Treasury, and shall bear, as evidence of lawful issue, the imprint of the seal of the Treasury Department, to be made under the direction of the Secretary of the Treasury, in a room set apart especially and exclusively for that purpose, under the care of some person appointed directly by him. And the coupons attached to such bonds shall bear the engraved signature of the Register of the Treasury, and such other device or safeguard against counterfeiting as the secretary may approve; and it is hereby declared that all bonds heretofore issued, bearing the signature of the register, shall have the same force, effect, and validity, as if signed also by the treasurer, and all bonds bearing the signature of the register, erroneously described as Treasurer of the United States, shall have the same force, effect, and validity as if his official designation had been correctly stated. And all coupons bearing the engraved signature of the Register of the Treasury in office at the time when such signatures were authorized and engraved, shall have full force, validity, and effect, notwithstanding such register may have subsequently ceased to hold office as such, when issued in connection with bonds duly authorized and signed by or for the successor or successors of said register. And the treasury notes and United States notes authorized by this act shall be in such form as the Secretary of the Treasury shall direct, and shall bear the written or engraved signatures of the Treasurer of the United States and the Register of the Treasury, and shall have printed upon them such statements, showing the amount of accrued or accruing interest and the character of the notes, as the Secretary of the Treasury may prescribe; and shall bear, as a further evidence of lawful issue, the imprint of the seal of the Treasury Department, to be made under the direction of the Secretary of the Treasury, as before directed.

SEC. 7. *And be it further enacted,* That the Secretary of the Treasury is hereby authorized to issue, upon such terms, and under such regulations as he may from time to time prescribe, registered bonds in exchange for, and in lieu of any coupon bonds which have been, or may hereafter be, lawfully issued; such registered bonds to be similar in all respects to the registered bonds issued under the acts authorizing the issue of the coupon bonds offered for exchange. And for all mutilated, defaced, or indorsed coupon, or other bonds presented to the department, the Secretary of the Treasury is authorized to issue, upon terms and under regulations as aforesaid, and in substitution therefor, other bonds of like or equivalent issues.

SEC. 8. *And be it further enacted,* That the Secretary of the Treasury is hereby authorized and required to make and issue, from time to time, such instructions, rules, and regulations, to the several collectors, receivers, depositories, officers, and others, who may receive treasury notes, United States notes, or other securities in behalf of the United States, or who may be in any way engaged or employed in the preparation and issue of the same, as he shall deem best calculated to promote the public convenience and security, and to protect the United States, as well as individuals, from fraud and loss.

SEC. 9. *And be it further enacted;* That the necessary expenses of engraving, painting, preparing and issuing the United States notes, treasury notes, fractional notes, and bonds, hereby authorized, and of disposing of the same to subscribers and purchasers, shall be paid out of any money in the treasury not otherwise appropriated; but the whole amount thereof shall not exceed one per centum on the amount of notes and bonds issued.

SEC. 10. *And be it further enacted,* That if any person or persons shall falsely make, forge, counterfeit, or alter, or cause or procure to be falsely made, forged, counterfeited, or altered, any obligation or security of the United States, or shall pass, utter, publish, or sell, or attempt to pass, utter, publish, or sell, or shall bring into the United States from any foreign place, with intent to pass, utter, publish, or sell, or shall have, or keep in possession, or conceal, with intent to alter, publish, or sell, any such false, forged, counterfeited, or altered obligation, or other security, with intent to deceive or defraud, or shall knowingly aid or assist in any of the acts aforesaid, every person so offending shall be deemed guilty of felony, and shall, on conviction thereof, be punished by fine not exceeding five thousand dollars, and by imprisonment and confinement at hard labor not exceeding fifteen years, according to the aggravation of the offence.

SEC. 11. *And be it further enacted,* That if any person having control, custody, or possession of any plate or plates, from which any obligation, or other security, or any part thereof, shall have been printed, or which may have been prepared, by direction from the Secretary of the Treasury, for the purpose of printing, any such obligation, or other security, or any part thereof, shall use such plate or plates, or knowingly suffer the same to be used, for the purpose of printing any such, or similar obligation, or other security, or any part thereof, except such as shall be printed for the use of the United States, by order of the proper officer thereof; or if any person shall engrave, or cause or procure to be engraved, or shall aid or assist in engraving, any plate or plates, in the likeness or similitude of any plate or plates, designed for the printing of any such obligation, or other

security, or any part thereof, or shall vend or sell any such plate or plates, or shall bring into the United States from any foreign place, any such plate or plates, except under the direction of the Secretary of the Treasury, or other proper officer, or with any other intent, or for any other purpose, in either case, than that such plate or plates shall be used for the printing of such notes, bonds, coupons, or other obligations or securities, or some part or parts thereof, for the use of the United States, or shall have in his control, custody, or possession, any metallic plate, engraved after the similitude of any plate, from which any such obligation or other security, or any part or parts thereof, shall have been printed, with intent to use such plate or plates, or cause or suffer the same to be used, in forging or counterfeiting any such obligation or other security, or any part or parts thereof, or shall have in his custody or possession, except under authority from the Secretary of the Treasury, or other proper officer, any obligation or other security, engraved and printed after the similitude of any obligation or other security issued under the authority of the United States, with intent to sell, or otherwise use the same; or if any person shall print, photograph, or in any other manner make or execute, or cause to be printed, photographed, or in any manner made or executed, or shall aid in printing, photographing, making, or executing, any engraving, photograph, or other print or impression, in the likeness or similitude of any obligation or other security, or any part or parts thereof, or shall vend or sell any such engraving, photograph, print, or other impression, except to the United States, or shall bring into the United States, from any foreign place, any such engraving, photograph, print, or other impression, except by the direction of some proper officer of the United States, or shall have or retain in his custody or possession, after a distinctive paper shall have been adopted by the Secretary of the Treasury, for obligations and other securities of the United States, any similar paper, adapted to the making of any such obligation or other security, except under authority of the Secretary of the Treasury, or some other proper officer of the United States, every person so offending shall be deemed guilty of a felony, and shall, on conviction thereof, be punished by fine not exceeding five thousand dollars, or by imprisonment and confinement at hard labor not exceeding fifteen years, or by both, in the discretion of the court.

SEC. 12. *And be it further enacted*, That if any person shall have or retain in his or her custody, possession, or control, without the written authority or warrant of the Secretary of the Treasury, or of the Comptroller of the Currency, approved by the Secretary of the Treasury, any engraved, or transferred plate, block or electrotype, or any die, roll, or other original work used in making or preparing any plate, block, or electrotype, or any plate, block, or electrotype prepared or made after the similitude of any plate, block, or electrotype, from which any obligation or other security, authorized to be issued by any act of Congress, or any part thereof, has been, or may hereafter be printed, or shall use, or cause, or knowingly suffer the same to be used, in forging or counterfeiting any such obligation or other security, or shall print, or cause to be printed, any bronzed or gilt letters or devices, or shall print, or cause to be printed, any letters, figures, or devices, with green ink, or any green color or pigment, upon any note, bond, or other representative of value, intended or adapted to be used

as a currency or a circulating medium, every such person, being thereof convicted by due course of law, shall be deemed guilty of felony, and shall be imprisoned and kept at hard labor for a term not more than ten years, and fined in a sum not more than ten thousand dollars: *Provided*, That nothing in this act shall affect any prosecution pending, or any civil or criminal liabilities incurred under any former act: *Provided, further*, That the foregoing provisions of this section shall not be held or construed to deprive any person of the right to retain in his custody and possession, and use for any lawful purpose, any engraved or transferred plate, block, or electrotype, or any die, roll, or other original work as aforesaid, which had been used by him in printing or engraving bank notes, or other obligations, before being used in printing any obligation or other security, authorised to be issued by any act of Congress; nor shall any of said foregoing provisions be held or construed to prohibit or restrain the lawful use by any person of any ink, or color, or pigment, the exclusive right to which has been secured to any such person by letters patent which are still in force.

SEC. 13. *And be it further enacted*, That the words "obligation or other security of the United States," used in this act, shall be held to include and mean all bonds, coupons, national currency, United States notes, treasury notes, fractional notes, checks for money of authorized officers of the United States, certificates of indebtedness, certificates of deposit, stamps, and other representatives of value, of whatever denomination, which have been or may be issued under any act of Congress.

CALIFORNIA IN 1863.—RECEIPTS AND SHIPMENTS OF GOLD, SILVER, &c.

THE San Francisco *Mercantile Gazette and Price-Current* publishes, as usual, a carefully prepared annual review, showing the receipts and shipments of the precious metals, &c., from which the following tables are taken. There is, for 1863, an increase of about $20,000,000 in the receipts from the interior of gold and silver, as will be seen from the following:

INTERIOR RECEIPTS, AT SAN FRANCISCO, OF GOLD AND SILVER, 1863.

Received from.	Uncoined.	Coined.	Total.
Northern mines	$33,936,771	$3,978,624	$37,915,395
Southern mines	5,610,094	1,801,837	7,411,931
Coastwise	4,366,510	603,513	4,970,023
Year 1863	$43,913,575	$6,383,974	$50,297,349
" 1862	41,877,957	5,593,421	47,471,378
" 1861	32,325,863	9,363,214	41,689,077
Three years	$118,117,195	$21,340,609	$139,457,804

If to the above we add the imports, we have the total for the year:

TOTAL RECEIPTS AND EXPORTS OF GOLD AND SILVER.

	1861.	1862.	1863.
Interior receipts	$41,689,077	$47,471,378	$50,297,349
Imports, foreign	1,702,683	1,904,084	2,156,612
Total	$43,391,760	$49,375,462	$52,453,961

PRODUCE.—MONTHLY RECEIPTS, EXPORTS AND PRICES AT THE CITY OF NEW YORK.

(Prepared by JAMES BOUGHTON, Clerk of the New York Produce Exchange.)

WE gave, in our April number, the receipts and shipments of Produce, for the year 1863, at tide water and throughout the Western cities. Below will be found the total receipts, shipments and prices of produce, at the City of New York, for the year ending April 30, 1864:—

RECEIPTS OF PRODUCE AT THE CITY OF NEW YORK, FOR THE YEAR ENDING APRIL 30, 1864.

Months.	Cotton.	Flour.	Whiskey.	Corn Meal.	Corn Meal.	Wheat.	Corn.	Oats.	Rye.	Malt.
	Bales.	Bbls.	Bbls.	Bbls.	Bags.	Bush.	Bush.	Bush.	Bush.	Bush.
May, 1863.	8,193	454,363	21,838	10,881	18,614	1,789,952	1,904,490	808,333	28,729	24,084
June.....	16,299	636,501	26,925	19,283	7,989	2,858,755	2,262,825	1,442,979	23,088	22,608
July.....	13,080	451,004	19,627	9,995	10,430	2,409,184	3,049,126	846,831	52,759	16,710
Aug.....	11,043	268,097	18,083	9,875	9,226	1,989,889	2,343,899	1,097,223	68,035	55,453
Sept.....	12,874	319,923	15,781	16,481	4,715	1,132,588	2,196,157	307,025	9,721	47,078
Oct.....	19,332	451,763	17,656	8,673	13,020	3,051,968	1,205,793	1,319,985	41,912	13,461
Nov.....	26,903	530,096	20,098	8,883	22,835	3,164,759	295,938	2,189,719	36,731	44,322
Dec.....	24,870	429,641	39,594	16,301	45,627	1,896,608	135,907	1,383,944	45,727	59,494
Jan., 1864..	22,010	266,240	33,846	7,987	43,990	10,244	145,557	305,690	6,532	42,608
Feb.....	28,242	238,823	34,475	12,489	47,137	45,283	108,751	209,080	3,551	63,064
March	39,302	190,785	35,575	14,135	40,510	108,407	259,547	258,685	5,503	69,578
April	33,533	218,181	22,873	10,889	27,097	166,506	120,272	238,314	6,373	44,383
Total,...	265,685	4,480,415	304,871	145,272	291,190	18,119,093	14,028,262	10,909,238	328,619	502,693

RECEIPTS CONTINUED.

Months.	Barley.	Seed.	Ashes.	Beef.	Pork.	Cut Meats.	Lard.	Oil Cake.	Dressed Hogs.	Live Hogs.
	Bush.	Bush.	Pkgs.	Bbls.	Bbls.	Pkgs.	100 lbs.	Sacks.	No.	No.
May, 1863.....	4,673	7,348	1,401	9,428	119,302	38,587	149,966	2,329	....	39,305
June	1,648	8,196	1,657	2,886	112,343	21,401	75,966	14,040	....	56,612
July.....	None.	901	1,175	1,285	10,155	6,638	15,396	20,120	....	40,706
Aug.	....	893	1,551	893	6,879	2,870	3,784	19,853	....	38,065
Sept	7,941	2,082	884	718	7,115	3,967	5,233	4,810	....	67,306
Oct.	758,893	1,189	790	7,420	6,921	4,591	35,128	17,500	881	112,257
Nov.....	441,479	2,818	1,280	68,591	6,916	11,066	35,997	10,441	755	188,859
Dec.....	275,568	8,193	1,393	74,031	21,864	18,843	31,875	4,973	21,208	191,641
Jan., 1864.....	6,972	8,441	1,163	22,988	39,364	34,469	25,145	2,676	48,276	29,596
Feb.....	5,105	24,216	1,498	6,558	32,144	42,593	43,245	2,115	59,894	35,073
March.....	18,386	31,765	1,457	4,319	33,687	92,710	83,123	2,963	4,400	32,506
April.....	41,914	5,686	1,044	4,654	12,346	49,399	90,496	4,336	67	47,963
Total.....	1,557,573	96,202	15,393	202,970	399,036	337,129	690,009	109,156	135,481	874,389

MONTHLY EXPORTS OF PRODUCE FROM THE PORT OF NEW-YORK, FOR THE YEAR ENDING APRIL 30, 1864.

Months.	Cotton. Bales.	Flour. Bbls.	Wheat. Bush.	Corn. Bush.	Beef. Pkgs.	Pork. Bbls.	Hams & bacon. 100 lbs.	Lard. 100 lbs.
1863.May	2,748	198,614	848,967	949,619	5,837	20,728	228,246	124,397
June	5,532	246,610	1,779,362	1,605,352	3,432	16,981	126,533	86,908
July	1,112	260,805	2,453,995	1,541,601	3,245	14,558	40,801	67,113
August	120	259,189	1,658,009	588,170	3,721	14,698	23,393	52,152
September	454	278,196	1,665,698	254,751	3,601	16,658	30,122	62,045
October	2,941	233,376	1,510,205	70,072	5,803	12,412	63,075	116,574
November	675	127,263	516,233	54,150	12,837	17,340	59,034	68,773
December	210	214,530	1,239,011	25,844	27,842	16,926	75,625	84,509
1864.January	461	241,064	1,237,138	394,754	18,127	15,368	298,716	148,736
February	267	204,826	1,490,427	21,225	2,853	12,821	144,550	87,092
March	6,200	152,173	915,499	43,230	16,283	17,054	275,726	44,164
April	6,841	155,198	508,292	28,004	10,420	14,190	185,509	85,887
Total	27,561	2,571,844	15,842,836	5,576,772	113,061	189,757	1,551,330	927,335

MONTHLY AVERAGE PRICES OF PRODUCE AT NEW YORK PRODUCE EXCHANGE, FOR THE YEAR ENDING APRIL 30, 1864.

Months.	Cotton, Mid Upland Per Pound.	Flour, Extra State. Per Bbl.	Wheat, Milwaukie Club. Per Bush.	Corn, Western Mixed. Per Bush.	Oats, Canal. Per Bush.	Beef, Mess. Per Bbl.	Pork, Mess. Per Bbl.	Lard, No. 1. Per Pound.	Whiskey. Per Bbl.
1863.May	55⅝ c.	$6 10	$1 87½	$0 76½	74½ c.	$12 75	$11 87½	9⅝ c.	$0 44½
June	60⅝	5 65	1 38½	0 75½	78½	10 62½	11 50	9⅝	0 44½
July	63½	5 26	1 22½	0 68	76	11 00	11 75	9⅝	0 45½
August	66½	4 90	1 05	0 69	57	11 87½	11 75	9⅝	0 45⅝
September	70½	5 00	1 11	0 78	68	11 87½	11 87½	10½	0 51
October	86	5 95	1 34	0 98	80	12 25	14 00	11⅝	0 59
November	84⅝	6 25	1 41	1 12	85	12 75	16 25	11½	0 65½
December	80½	6 52	1 42	1 26	90	13 06½	17 75	12	0 86½
1864.January	82½	6 95	1 53½	1 26½	91½	13 25	19 00	13½	0 91½
February	81½	6 70	1 59	1 27½	90	13 25	20 00	13⅝	0 87
March	75⅝	6 81	1 64	1 32½	89½	14 06½	22 00	13½	0 86
April	77½	7 55	1 71	1 33	88	15 87½	24 75	13⅝	1 13½

RAILWAY, CANAL, AND TELEGRAPH STATISTICS.

THE RAILWAYS OF PORTUGAL.

PORTUGAL has been behind all other states of Europe in the construction of railroads; but it appears from a just published official report that this delay is to be repaired by immense exertions to be made from the present time. On the 5th of May, 1860, a concession was granted to M. J. DE SALAMANCA for the construction of two great lines, the one running from Lisbon to Oporto, and the other from Lisbon to the Spanish frontier, near Badajos, in continuation of a projected railway from Madrid to the latter place. M. DE SALAMANCA undertook to complete both lines at a cost of 132,350 francs, or £2,294. per kilometre, at his own risk, but under the condition that the government should pay six per cent on the paid-up capital of the company formed by him; while he himself engaged to pay two per cent additional interest till the period of the opening of the railway. Notwithstanding this offer of eight per cent interest, the shares and debentures of M. DE SALAMANCA'S company sold but slowly, the whole paid-up capital of the concern amounting on the 31st of December, 1863, to the sum of 75,006,209 francs, or £3,000,248, divided as follows:

70,000 shares of 500 francs each.....	35,000,000 francs
167,920 debentures.....	40,006,209 "

The entire cost of the conceded lines was calculated at 83,000,000 of francs, or £3,320,000, so that M. DE SALAMANCA would be a loser to the extent of £319,752, if unable to raise a larger sum either in the shape of loans or in shares. But, on the other hand, a considerable gain accrues to him by the working of such parts of the line as are already finished, the whole profits of which go to him, with the sole obligation to pay two per cent to the shareholders. The latter enter into the possession of the two lines only when they are entirely finished.

From the just published report of the company, or rather M. DE SALAMANCA, it appears that the line from Lisbon to the Spanish frontier has been completed in its whole length, over 275 kilometres, and is now open for traffic. The second line, however, from Lisbon to Oporto, of a length of 231 kilometres, is as yet in a backward state, though great efforts are made to open it partially, from the capital to the southern bank of the Douro, by the end of August, 1864. The building of a railway bridge over the Douro is calculated to take at least another year, or, perhaps, two; but it is hoped that this will not interfere with the actual conveyance of passengers and merchandise between the two most important towns of the kingdom.

Bitter complaints are raised in the report of the slow progress made in the construction of the line from Badajos to the Spanish capital, without which the road from Lisbon to Badajos is believed to be all but useless. It is said that the works here are nearly at a standstill, there being only about twenty-five kilo-

metres of earth-work finished between Badajos and Merida. This inactivity appears to be more the result of political calculation than of any other cause. The Spanish Government is evidently unwilling to raise Portuguese commerce by a line of railway which, when completed, must have the immediate effect of making Lisbon the port of Madrid, and, to some extent, the metropolis of the Iberian peninsula.

CANALS OF NEW YORK STATE.

The Auditor of the Canal Department, in his report submitted to the Legislature, gives in detail the expenditures on account of the several canals of New York State, for the year ending September 30, 1863, and the tables for previous years.

The following is a summary statement of the amounts so expended by the several Canal Commissioners during the fiscal year 1863, the particular items of which are fully exhibited in the tables appended to the report :

EXPENDED BY THE CANAL COMMISSIONERS, INCLUDING THEIR SALARIES, FOR THE FISCAL YEAR, ENDING 30TH SEPTEMBER, 1863.

Erie Canal—William I. Skinner	$93,447 24	
William W. Wright	42,780 82	
Franklin A. Alberger	138,008 35	
		$274,236 41
Champlain Canal—William I. Skinner	$91,994 90	
		91,994 90
Erie Canal Enlargement—William I. Skinner	$46,907 06	
John M. Jaycox	2,403 59	
Benjamin F. Bruce	2,609 33	
William W. Wright	51,784 79	
Hiram Gardner	3,592 98	
Franklin A. Alberger	63,791 87	
		171,089 62
Oswego Canal—William W. Wright	$93,168 83	
		93,168 83
Cayuga and Seneca Canal—John M. Jaycox	$1,084 06	
William W. Wright	51,667 12	
		52,751 18
Chemung Canal—William W. Wright		53,644 23
Crooked Lake Canal—William W. Wright		7,448 42
Chenango Canal—William W. Wright		39,623 74
Black River Canal—William I. Skinner		25,636 43
Genesee Valley Canal—Franklin A. Alberger		64,407 50
Oneida Lake Canal—William W. Wright		3,147 44
Baldwinsville Canal—William W. Wright		4,529 14
Cayuga Inlet—William W. Wright		1,800 00
		$883,477 83

The following sums were in the hands of the Canal Commissioners at the close of the fiscal year:

William I. Skinner	$6,416 02
William W. Wright	3,835 19
F. A. Alberger	5,887 26
Total	$16,138 47

The expenses of the engineer corps on the several canals in this State during the last fiscal year, amount to the sum of $36,892 29. Such expenditures are distributed among the several canals, as follows:

Erie Canal enlargement		$5,190 91
Erie Canal repairs		8,805 87
Champlain Canal repairs	$1,168 67	
do do enlargement	3,255 36	
		4,424 03
Black River Canal repairs	$592 95	
do do do completion	1,579 21	
		2,172 16
Oswego Canal repairs	$908 09	
do do enlargement	901 46	
		1,809 55
Cayuga and Seneca Canal repairs	$504 54	
do do do enlargement	1,032 67	
		1,537 21
Chemung Canal		1,316 04
Chenango Canal		1,695 11
Genesee Valley Canal		2,279 07
Survey of locks under chap. 311, Laws of 1863		8,162 34
Total		$36,892 29

The expenditures of the Engineer Corps on the several canals of the State for the last eleven years, has been as follows:

1853	$84,764 82	1859	74,581 90
1854	120,113 84	1860	97,821 09
1855	199,862 35	1861	75,419 06
1856	247,624 11	1862	64,029 39
1857	195,229 71	1863	36,892 29
1858	146,550 01		

The following statement gives the amount of expenditures for repairs by the Superintendant and Canal Commissioners, including payment to contractors for repairs on each canal, &c., for the years ending Sept. 30th, 1862 and 1863:

EXPENDITURES FOR REPAIRS.

Canals.	Commissioner.	Miles.	1862.	1863.	More in 1863.	Less in 1863.
Erie, secs 1, 2, 3, 4, 5	Skinner	140	$129,275 20	$168,970 60	$39,595 40	.....
do 7, 8, 9	Wright	74	37,187 11	38,900 44	1,713 33	.....
do 10, 11, 12, 13, 14	Alberger	153	104,187 56	132,497 55	28,309 99	.....
Total Erie		367	$270,649 87	$340,368 59	$69,618 72	.....

Champlain	Skinner...	68	64,827	05	64,456	27	.....	$370	78
Oswego	Wright...	38	65,500	67	42,069	27	.....	23,231	40
Cayuga & Seneca	do	22	21,211	45	16,479	92	.....	4,731	53
Chemung.....	do	39	108,935	73	110,396	82	1,461	09	.....
Crooked Lake...	do	8	7,446	22	5,321	60	.....	2,124	62
Chenango.....	do	97	41,663	57	35,994	53	.....	5,669	04
Genesee Valley.	Alberger..	127	68,090	66	60,612	38	.....	7,478	28
Oneida Lake and feeder	Wright...	6	2,475	01	3,147	44	672	43	.....
Black River	Skinner ..	94	20,884	64	21,674	85	790	21	.....
Oneida River improvement ...	Wright...	20	1,375	76	.....		.....	1,375	76
Baldwinsville...	do	12	174	67	72	33	.....	102	34
			$673,135	30	$700,594	00	$72,542	45	$45,083 75
					673,035	30	45,083	75	
Excess of 1863 over 1862.....					$27,458	70	27,458	70	

THE INTERNATIONAL STATISTICAL CONGRESS AND THE UNITED STATES.

REPORT OF HON. SAMUEL B. RUGGLES, SUBMITTED TO THE INTERNATIONAL STATISTICAL CONGRESS.

(MR. RUGGLES TO MR. SEWARD.)

BERLIN, *September* 14, 1863.

SIR: In pursuance of your instructions accompanying the appointment of the undersigned as representative of the United States of America, at the international statistical congress at Berlin, in September, instant, he embarked for Europe in the German steamer, after receiving his commission, and reached Berlin, after some detention on the Atlantic, on the afternoon of the 6th of September. No business of importance had been transacted in the congress up to that time, except the presentation of the credentials of the delegates.

On the 7th of September, the credentials of the undersigned were presented and approved, at which time representatives from the following countries, stated in alphabetical order, had been duly admitted, viz:

The United States of America, Anhalt-Dessau, Austria, Baden, Bavaria, Belgium, the Danubian Provinces, Denmark, France, Frankfort, Great Britain, Hamburg, Hanover, Holland, Holstein, Hesse-Cassel, Hesse Darmstadt, Italy, Lubeck, Mecklenburg-Schwerin, Norway, Oldenburg, Portugal, Prussia, Russia, Saxe-Coburg, Saxe-Weimar, Saxony, Spain, Sweden, Switzerland, Turkey, and Wurtemburg.

The representatives of most of the nations above specified made reports to the congress on the statistics of their respective countries, which will be duly published in German and in French, in the official proceedings or "*Comte Rendu*" of the congress. In general, the proceedings and debates were in the German language, but to some extent in French and English.

Through some accidental and unintentional omission, none of the States of South America, or of Central America, sent delegates to the congress, although Brazil, especially, had been represented in preceeding sessions of the congress. The name of the undersigned was erroneously entered in the printed and published lists as delegate from "*North America*," but on his application the error will be corrected in the official report of the proceedings.

On Friday, the 11th of September, being the sixth day of the session, a statis-

tical report was presented to the congress by the undersigned, in behalf of the United States of America, of which a copy is herewith transmitted.

It is proper to state that the composition and character of the congress, as shown by its proceedings and published reports at the preceding sessions, was merely "statistical," and in no respect economical or political, rendering it proper and necessary to refrain in the report from any speculations or deductions as to the practical use or employment of the resources ts be statistically exhibited, or any political discussion of the character, conduct, or possible result of the pending insurrection against the government of the American Union; but rather to present the cardinal elements of its material strength and resources, past and present, in such arithmetical and statistical form as should furnish, of itself, to the congress and to the countries therein represented, sufficient elements for any necessary conclusions.

Again, it was desirable and necessary, for the purpose of securing the publication and circulation, to any considerable extent, of such a statement, to condense the facts as far as practicable, to select only the most prominent, and to seek, by a well-defined outline, to present the subject clearly and distinctly.

Keeping these considerations in view, the report was therefore confined mainly to the four cardinal elements of our national strength, embraced under the heads —Territory, Population, Agricultural Production, and Precious Metals. It is not denied that other branches, though comparatively less important, might also have been added; but, under the circumstances, those presented were thought sufficient for the present purpose.

In view of the insurrection still affecting the industry and products of a certain portion of the Union, and rendering it difficult to state or estimate their present value with any statistical accuracy, they were not embraced in the report to the present congress, under the belief that the full restoration of tranquility before the next session, in 1865, will then enable the representative of the United States to fully supply the deficiency.

The present session has been signalized by the adoption of important resolutions in respect to a uniform system of weights, measures and coins, for the use of the civilized world, and materially affecting the United States of America. A large commission, embracing representatives of high attainments from fourteen different nations and countries, was instituted at the congress of 1860, held in London, to report a system for consideration at the present session. The undersigned, on taking his seat in the body, was invited, on behalf of the United States, to confer and unite with that commission in its proposed and forthcoming report. A draught of that report had been printed, presenting, in review, the different nations which had adopted, or were disposed to adopt, the *metric* system of weights and measures, but in which it was stated that "the Confederate States of America have expressed a desire to introduce the metric system of weights and measures." The undersigned, on perceiving the statement, protested at once against its propriety, or its admission into the report, on the ground, that "the Confederate States," so called, had no separate, national, lawful existence, but still formed integral portions of the United States of America. The objection was acquiesced in, and the words in question were modified so as to read, "Some of the States of America have expressed a desire," &c., &c. That statement is known to be true in respect to some of the States of South America, and possibly as to some of the States of our American Union.

The proposition presented by that commission to the congress in respect to weights, measures and coins, looking to an eventful change in the weights of the British sovereign and of the American dollar, to reduce them to even multiplies of the franc, with the modifications which these propositions underwent in the congress, are of so much importance and gravity, that the undersigned will require some little time for reporting them fully, with the necessary accompanying documents, to the government of the United States. He will seek to do so with all practicable despatch after his return to America. The subject necessarily embraces the grave and difficult question as to the relative value of gold and of

silver, present and prospective, and the proper adjustment of the coins of both metals, to keep pace with the fluctuations in their production and supply. For this purpose, the undersigned thought it necessary to propose, at the conclusion of the report on the metalliferous regions of the United States, that the subject of the production of gold and silver should be investigated by a commission to be instituted by the international statistical congress; but on full consideration by the section to which the subject was referred, it was decided, and perhaps properly, that the investigation could not be properly made by the congress, which was statistical and not economical in its aims, and that the necessary inquiry might better be left to the governments of the three great gold-producing countries, being the United States, Great Britain in respect to Australia, New Zealand, and British America, and Russia; and more especially as the inquiry, to be of any practical value, must be conducted under the authority and direction of those respective governments. Meanwhile the decided opinion has been expressed by the delegates in the present congress from Great Britain and from Russia, that it may be reasonably expected that the necessary inquiries on a subject so important to the currency of the world will be prosecuted by those governments with all proper efficiency and despatch.

During the session of the present congress a resolution was passed, on motion of Professor SCHUBERT, of the University of Konigsburg, that it was "advisable, and very useful to the general interests of statistical science, that of all official works and communications published by statistical bureaus, one copy shall be given to all the universities and high academies of the States of Europe, to be preserved in their libraries." A motion made by the undersigned, at a subsequent day, and seconded by Professor SCHUBERT, was unanimously passed by the congress, that the resolution be modified and enlarged "so as to include the public libraries in *six* of the principal cities of the United States of America, to be designated by the State Department at Washington."

The congress adjourned on the 11th of September, after having received the marked hospitality and consideration of the government of Prussia, and the inhabitants of Berlin.

Of the period of thirty days after the adjourment allowed to the undersigned for returning to the United States, he will employ the first two weeks in visiting Russia to collect the statistics of the product of gold in that country, and for which purpose the representatives of that government in the congress, and also the Russian minister at Berlin, have courteously afforded him important facilities.

The undersigned has the honor to remain, with high respect, your obedient servant,

SAMUEL B. RUGGLES.

His Excellency WILLIAM H. SEWARD, *Secretary of State, &c.*

INTERNATIONAL STATISTICAL CONGRESS AT BERLIN.

REPORT FROM THE UNITED STATES OF AMERICA.

Mr. SAMUEL B. RUGGLES, delegate from the United States of America, presented the following report:

Mr. President and gentlemen of the International Statistical Congress:

The government of Prussia having specially requested, through its minister at Washington, his excellency the Baron GEROLT, that the Government of the United States should send a representative to the international statistical congress, to convene at Berlin on the 6th of September, 1863, the President of the United States, on the 14th of August, appointed the undersigned to that office. The session of the congress being so near at hand, the undersigned was necessarily

ly obliged to embark for Europe without delay, and was thus prevented from collecting, in due season, as large a portion as could have been desired of the numerous documents and publications illustrating the statistics of the United States. Much important information, though often wanting in classification and arrangement, is embraced in various official papers issued under public authority, both national and State, and also by boards of trade and other voluntary societies whose labors are more or less statistical. Attempts have been made to impart to American statistics more of an analytical and scientific character, by means of official bureaus to be specially organised for the purpose. The State of Ohio, some years since, under the administration of Governor CHASE, the present Secretary of the Treasury of the United States, established a Bureau of Statistics as one of the organs of the State government, which was committed to the charge of Mr. MANSFIELD, whose copious and instructive annual reports fully justify the selection; while far away in the remote interior, beyond the great chain of lakes, the infant State of Minnesota, with a single exception the youngest in the American Union, containing, by the census of 1860, but 173,000 inhabitants, clustered around the head waters of the upper Mississippi, and more than fifteen hundred miles from the Atlantic, established, almost at the moment of its birth, a Bureau of Statistics. Two of the annual reports of its able Commissioner of Statistics, Mr. WHEELOCK, are now submitted to the inspection of the international statistical congress, as affording reasonable ground of hope that, in due time, America may at least approach in scientific accuracy and philosophical arrangement the more mature and perfect performances of the statisticians of Europe.

The Congress of the United States has not yet established a distinct Bureau of Statistics, although repeatedly recommended and urged to do so; but in taking the census of inhabitants, as required by the national Constitution, at intervals not exceeding ten years, the practice has been gradually introduced of superadding, by special direction of Congress, inquiries more or less extensive in regard to the various branches of industry and production, and recently embracing social statistics to a moderate extent; so that the compend of the census of 1860, herewith submitted to the international statistical congress, will be found to contain a considerable mass of statistical information, illustrating the material, and, to some extent, the social and moral condition of the nation. Under the limited powers conferred by Congress, the active, intelligent officers who have successfully filled the office of Superintendent, and particularly Mr. KENNEDY, who participated in one or more of the previous sessions of the international statistical congress, have earnestly exerted their best efforts to render the inquiries authorized by law useful not only to the country, but to the cause of statistical science. It is confidently believed that the enlightened labors of the present body may do much to induce the legislative authorities of the United States to recognise a competent Bureau of Statistics as a national necessity, and thereby place their country on an equality, in that respect, with the most intelligent nations of the world.

Even then, some time must elapse before it will fully attain that power of acute, comprehensive and thorough analysis in the various branches of statistical inquiry which has so distinguished the eminent European statisticians, in their valuable labors in the international statistical congress during the present and preceding sessions.

It is a cause for general congratulation, that those who conduct the public affairs of nations have become generally convinced that a State cannot be wisely or safely governed without an accurate knowledge of quantities. Abstract theories and historical traditions doubtless have their use and their proper place; but statistics are the very eyes of the statesman, enabling him to survey and scan, with clear but comprehensive vision, the whole structure and economy of the body politic—to adjust, in the finest harmony, all its varied functions—to regulate and invigorate the healthful circulation of every artery and vein, from the central, vital trunk, to the most remote and delicate articulation.

Not only so. In this modern world, where steam has abolished space, the statesman, to deserve the name, must carefully survey the statistics of all the nations that commerce can approach, so that, with nice and skilful hand, he may adapt the administration of his particular government to the due measure of its comparative capacities and powers.

It is under the conviction that this new-born, modern "solidarity of nations" renders the statistics of each important to all, that the undersigned, in behalf of the United States of America, now ventures briefly to invite the attention of the internatianal statistical congress to some of the most prominent features exhibited by the compend of the census of 1860, now before this body, and especially to the evidence which it furnishes of the rate and extent of material progress of the human race in that portion of the new world committed by Providence to the care of the American Union. The exhibition will certainly furnish, to some extent, the means of statistical comparison with other portions of the world, and thereby enable the international statistical congress in due time to discharge what may become a very important and world-wide duty, in classifying the results from the reports of individual countries, and thus to present, in scientific form, the prominent and distinctive features of the comparative anatomy of nations.

Nor is it to be feared that such a classification or comparison could ever be deemed useless or invidious. On this point the present body, fortunately, is able to refer to the highest authority. The impressive words in the opening address of the late Prince ALBERT, who deemed it no derogation from his eminent rank, as the royal consort of the British sovereign, to preside personally over your deliberations, and whose untimely death is mourned in both hemispheres as a loss to the human race, now come to us with solemn earnestness.

In the noble language of that truly exalted prince, such comparisons will only "prove to us afresh in figures, what we know already from feeling and experience—how dependent the different nations are upon each other for their progress—for their moral and material prosperity—and that the essential condition of their mutual happiness is the maintenance of peace and good will among each other. Let them be rivals, but rivals in the noble race of social improvement, in which, although it may be the lot of one to arrive first at the goal, yet all will equally share the prize—all feeling their own powers and strength increase in the healthy competition."

The compend of the census of 1860, and other official documents now submitted to the international statistical congress, will establish the following cardinal facts in respect to the territory, population and progress in mineral wealth of the United States of America:

I. The territorial area of the United States, at the peace of 1793, then bounded west by the Mississippi river, 820,680 square miles, about four times that of France, which is stated to be 207,145, exclusive of Algeria. The purchase from France of Louisiana, in 1804, added to this area 899,680 square miles. Purchases from Spain, and from Mexico, and the Oregon treaty with England, added the further quantity of 1,215,907 square miles; making the total present territory 2,936,166 square miles, or 1,879,146,240 acres.

Of this immense area, possessing a great variety of climate and culture, so large a portion is fertile that it has been steadily absorbed by the rapidly increased population. In May last there remained undisposed of, and belonging to the government of the United States, 964,901,625 acres.

To prevent any confusion of boundaries, the lands are carefully surveyed and allotted by the government, and are then granted gratuitously to actual settlers, or sold for prices not exceeding a dollar and a quarter per acre to purchasers other than settlers. It appears by the report of the Commissioner of the General Land Office, a copy of which is herewith furnished, that the quantity surveyed and ready for sale in September, 1862, was 135,142,999 acres. The report also states, that the recent discoveries of rich and extensive gold-fields in some of the

unsurveyed portions, are rapidly filling the interior with a population whose necessities require the speedy survey and disposition of large additional tracts. The immediate survey is not, however, of vital importance, as the first occupant gains practically the pre-emptive claim to the land after the survey is completed. The cardinal, the great continential fact, so to speak, is this, that the whole of this vast body of land is freely open to gratuitous occupation, without delay or difficulty of any kind.

II. The population of the United States, as shown by the census of 1860, was 31,445,080; of which number 26,975,575 were white, and 4,441.766 black, of various degrees of color—of the blacks, 3,953,760 being returned as slaves. Whether any, or what portion of the number are hereafter to be statistically considered as "slaves," depends upon contingencies, which it would be premature at the present time to discuss.

The increase of population since the establishment of the government has been as follows:

1790,.....	3,929,827			
1800,.....	5,305,937	increase	35.02	per cent
1810,.....	7,239,814	"	36·45	"
1820,.....	9,638,191	"	33.13	"
1830,.....	12,866,020	"	33.49	"
1840,.....	17,069,453	"	32.67	"
1850,.....	23,191,876	"	35.87	"
1860,.....	31,4450,80	"	35.59	"

This rate of progress, especially since 1820, is owing in part to immigration from foreign countries.

There arrived in 10 years—

From 1820 to 1830.....	244,490
From 1830 to 1840	552,000
From 1840 to 1850.....	1,558,300
From 1850 to 1860.....	2,702,624
Total.....	5,062,414

Being a yearly average of 126,560 for the forty years, and 270,762 for the last ten years.

The disturbances in the United States caused by the existing insurrection, and commencing in April, 1861, have temporarily and partially checked this current of immigration, but during the present year it is again increasing.

The records of the commissioners of emigration of New York show that the arrivals at that port alone have been, for—

	From Ireland.	From Germany.	Total, including all other countries.
1861.....	27,754	27,159	65,529
1862.....	32,217	27,740	76,306
1863, up to Aug. 20, 7⅔ months.....	64,465	18,724	about 98,000

The proportions of the whole number of 5,062,414 arriving from foreign countries in the forty years, from 1820 to 1860, were as follows:

From Ireland,.....	967,866	
From England,.....	302,665	
From Scotland,.....	47,800	
From Wales,.....	7,985	
From Great Britain and Ireland,.....	1,42·,018	
		2,750,784
From Germany,.....	1,546,976	
From Sweden,.....	36,129	
From Denmark and Norway.....	5,540	
		1,588,145

From France,	208,063	
From Italy,	11,302	
From Switzerland,	37,732	
From Spain,	16,245	
From British America,	117,142	
From China, (in California almost exclusively,)	41,443	
From all other countries, or unknown,	291,558	
		723,485
		5,062,414

It is not ascertainable how many have returned to foreign countries, but they probably do not exceed a million.

If the present partial check to immigration should continue, though it is hardly probable, the number of immigrants from the decade ending in 1870, may possibly be reduced from 2,707,624 to 1,500,000.

The ascertained average of increase of the whole population in the seven decades from 1790 to 1860, which is very nearly 33⅓ per cent., or one-third for each decade, would carry the present numbers (31,445,080) by the year 1870 to	41,926,750
From which deduct, for the possible diminution of immigrants, as above,	1,207,624
There would remain	40,719,126

Mr. Kennedy, the experienced Superintendent of the Census, in the compend published in 1862, at page 7, estimates the population of 1870 at 42,318,432, and of 1880 at 56,450,241.

The rate of progress of the population of the United States has much exceeded that of any of the European nations. The experienced statisticians in the present congress can readily furnish the figures precisely showing the comparative rate.

The population of France, in the

Year 1801, was	27,849,003	Year 1841, was	34,230,178
" 1822, was	30,461,875	" 1851, was	35,283,170
" 1831, was	32,569,223	" 1861, was	37,472,132

Being about 37 per cent in the sixty years. It does not include Algeria, which has a European population of 192,746.

The population of Prussia has increased since 1816 as follows:

Year 1816	10,319,993	Year 1849	16,296,483
" 1822	11,664,133	" 1858	17,672,609
" 1834	13,038,970	" 1861	18,491,220
" 1840	14,928,503		

Being at the rate of 79 per cent in forty-five years.

The population of England and Wales was, in the

Year 1801	9,156,171	Year 1841	16,035,198
" 1811	10,454,529	" 1851	18,054,170
" 1821	12,172,664	" 1861	20,227,746
" 1831	14,051,986		

Showing an increase of 121 per cent in the sixty years, against an increase in the United States in sixty years of 593 per cent.

III. The natural and inevitable result of this great increase of population, enjoying an ample supply of fertile land, is seen in a corresponding advance in the material wealth of the people of the United States. For the purpose of State taxation, the values of their real and personal property are yearly assessed by officers appointed by the States. The assessment does not include large amounts of property held by religious, educational, charitable, and other associations ex-

empted by law from taxation, nor any public property of any description. In actual practice, the real property is rarely assessed for more than two-thirds of its cash value, while large amounts of personal property, being easily concealed, escape assessment altogether.

The assessed value of that portion of property which is thus actually taxed increased as follows: In 1791, (estimated,) $750,000.000; 1816, (estimated,) $1.800,000.000; 1850, (official valuation,) $7,135,780,228; 1860, (official valution,) $16,159,616,068, showing an increase, in the last decade alone, of $9,023,835,840.

A question has been raised, in some quarters, as to the correctness of these valuations of 1850 and 1860, in embracing in the valuation of 1850 $961,000,000, and in the valuation of 1860, $1,936,000.000, as the assessed value of slaves, insisting that black men are persons and not property, and should be regarded, like other men, only as producers and consumers. If his view of the subject should be admitted, the valuation of 1850 would be reduced to $6,174,780,000, and that of 1860 to $14,222,618,068, leaving the increase in the decade $8,048,825,840.

The advance, even if reduced to $8,048,825,840, is sufficiently large to require the most attentive examination. It is an increase of property over the valuation of 1850 of 130 per cent, while the increase of population in the same decade was but 35.99 per cent. In seeking for the cause of this discrepancy, we shall reach a fundamental and all-important fact, which will furnish the key to the past and to the future progress of the United States. It is the power they possess, by means of canals and railways, to practically abolish the distance between the seaboard and the widespread and fertile regions of the interior, thereby removing the clog on their agricultural industry, and virtually placing them side by side with the communities on the Atlantic. During the decade ending in 1860, the sum of $413,541,510 was expended within the limits of the interior central group, known as the "food-exporting States," in constructing 11,212 miles of railway to connect them with the seaboard. The traffic receipts from those roads were:

In 1860	$81,835,031
In 1861	85,305,509
In 1862	44,908,405

The saving to the communities themselves in the transportation, for which they thus paid $44,908,405, was at least five times that amount; while the increase in the exports from that portion of the Union greatly animated not only the commerce of the Atlantic States, carrying those exports over their railways to the seaboard, but the manufacturing industry of the Eastern States, that exchange the fabrics of their workshops for the food of the interior.

By carefully analyzing the $8,048,825,840 in question we find that the six manufacturing States of New England received $735,754,244 of the amount; that the middle, Atlantic, or carrying and commercial States, from New-York to Maryland, inclusive, received $1,834,911,579; and that the food-producing interior itself, embracing the eight great States of Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa and Missouri, received $2,810,000,000. This very large accession of wealth to this single group of States is sufficiently important to be stated more in detail. The group, taken as a whole, extends from the western boundaries of New-York and Pennsylvania to the Missouri river, through fourteen degrees of longitude, and from the Ohio river north to the British dominions, through twelve degrees of latitude. It embraces an area of 441,167 square miles, or 282,134,688 acres, nearly all of which is arable and exceedingly fertile, much of it in prairie and ready at once for the plough. There may be a small portion adjacent to Lake Superior unfit for cultivation, but it is abundantly compensated by its rich deposits of copper and of iron of the best quality.

Into this immense natural garden, in a salubrious and desirable portion of the temperate zone, the swelling stream of population, from the older Atlantic States

and from Europe, has steadily flowed during the last decade, increasing its previous population from 5,403,595 to 8,957,690, an accession of 3,554,095 inhabitants gained by the peaceful conquest of Nature, fully equal to the population of Silesia, which cost FREDERICK the Great the seven years' war, and exceeding that of Scotland, the subject of struggle for centuries.

The rapid influx of population into this group of States increased the quantity of the "improved" land, thereby meaning farms more or less cultivated, within their limits, from 26,680,361 acres in 1850 to 51,826,395 acres in 1860, but leaving a residue yet to be improved of 230,308,293 acres. The area of 25,146,054 acres thus taken in ten years from the prairie and the forest is equal to seven-eighths of the arable area of England, stated by its political economists to be 28,000,000 of acres.

The area embraced in the residue will permit a similar operation to be repeated eight times successvely, plainly demonstrating the capacity of this group of States to expend their present population of 8,957,690 to at least thirty, if not forty, millions of inhabitants without inconvenience.

The effects of this influx of population in increasing the pecuniary wealth as well as the agricultural products of the States in question, are signally manifest in the census. The assessed value of their real and personal property ascended from $1,116,000,000 in 1850 to $3,926,000,000 in 1860, showing a clear increase of $2,810,000,000. We can best measure this rapid and enormous accession of wealth by comparing it with an object which all nations value, the commercial marine. The commercial tonnage of the United States was—

In 1840.....	2,180,764 tons.
In 1850.....	3,535,454 "
In 1860.....	5,358,808 "

At $50 per ton, which is a full estimate, the whole pecuniary value of the 5,358,808 tons, embracing all our commercial fleets on the oceans and the lakes and the rivers, and numbering nearly thirty thousand vessels, would be but $267,940,000; whereas the increase in the pecuniary value of the States under consideration, in each year of the last decade, was $281,000,000. Five years' increase would purchase every commercial vessel in the Christian world.

But the census discloses another very important feature, in respect to these interior States, of far higher interest to the statisticians, and especially to the statesmen of Europe, than any which has yet been noticed, in their vast and rapidly increasing capacity to supply food, both vegetable and animal, cheaply and abundantly, to the increasing millions of the Old World. In the last decade their cereal products increased from 309,950,595 bushels to 558,160,323 bushels, considerably exceeding the whole cereal products of England, and nearly, if not quite, equal to that of France. In the same period the swine, who play a very important part in consuming the large surplus of Indian corn, increased in number from 8,536,182 to 11,039,352, and the cattle from 4,373,712 to 7,204,810. Thanks to steam and the railway, the herds of cattle who feed on the meadows of the upper Mississippi, are now carried in four days, through eighteen degrees of longitude, to the slaughter houses on the Atlantic.

It is difficult to furnish any visible or adequate measure for a mass of cereals so enormous as 558,000,000 bushels. About one-fifth of the whole descends the chain of lakes, on which 1,300 vessels are constantly employed in the season of navagation. About one-seventh of the whole finds its way to the ocean through the Erie canal, which has already been once enlarged, for the purpose of passing vessels of two hundred tons, and is now under survey by the State of New York for a second enlargement to pass vessels of five hundred tons. The vessels called "canal boats," now navigating the canal, exceed five thousand in number, and if placed in a line would be more than eighty miles in length.

The barrels of flour and wheat alone, carried by the canal to the Hudson river were:

In 1842	1,146,292
In 1852	3,987,366
In 1862	7,516,897

A similar enlargement is also proposed for the canal connecting Lake Michigan with the Mississippi river. When both the works are completed, a barrel of flour can be carried from St. Louis to New York, nearly half accross the continent, for fifty cents, or a ton from the Iron mountain of Missouri for five dollars. The moderate portion of the cereals that descends the lakes, if placed in barrels of five bushels each, side by side, would form a line five thousand miles long. The whole crop, if placed in barrels, would encircle the globe. Such is its present magnitude. We leave it to statistical science to discern and truly estimate the future. One result is, at all events, apparent. A general famine is now impossible; for America, if necessary, can feed Europe for centuries to come. Let the statesman and philanthrophist ponder well the magnitude of the fact, and all its far-reaching consequences, political, social and moral, in the increased industry, the increased happiness, and the assured peace of the world.

IV. The great metalliferous region of the American Union is found between the Missouri river and the Pacific ocean. This grand division of the republic embraces a little more than half of its whole continental breadth. Portland in Maine is the meridian 70° west from Greenwich; Leavenworth on the Missouri river in 95°; and San Francisco on the Pacific in 123°. By these continental landmarks the western or metalliferous section is found to embrace 28°, and the eastern division between the Missouri and the Atlantic, at Portland, 25° of our total territorial breadth of 53° of longitude.

It has been the principal work and office of the American people, since the foundation of their government, to carry the machinery of civilization westward from the Atlantic to the Missouri, the great confluent of the Mississippi. So far as the means of rapid intercommunication are concerned, the work may be said to be accomplished, for a locomotive engine can now run without interruption from Portland to the Missouri, striking it at St. Joseph, just below the fortieth parallel of latitude. In the twenty years preceding 1860, a network of railways 31,196 miles in length, was constructed, having the terminus of the most western link on the Missouri river. The total cost was $1,151,560,829, of which $850,900,681 was expended in the decade between 1850 and 1860.

The American government and people had become aware of the great pecuniary, commercial, and political results of connecting the ocean with the food-producing interior by adequate steam communications. But the higher and more difficult problem was then presented, of repeating the effort on a scale still more grand and continental; of winning victories still more arduous over nature; of encountering and subduing the massive mountain ranges interposed by the prolongation of the Cordilleras of our sister continent through the centre of North America, rising even at their lowest point of depression, far above the highest peaks of the Atlantic States.

The government feeling the vital national importance of closely connecting the States of the Atlantic, and of the Mississippi with the Pacific, with all practicable dispatch, has vigorously exerted its power. On the 1st of July, 1862, nearly fifteen months after the outbreak of the existing insurrection, and notwithstanding the necessity of calling into the field more than half a million of men to enforce the national authority, Congress passed an act for incorporating "The Union Pacific Railway," and appropriated $66,000,000 in the bonds of the United States, with large grants of land to aid the work, directing it to be commenced at the 100th meridan of longitude, but with four branches extending eastward to the Missouri river. The necessary surveys across the mountain ranges are now in active progress, and the construction of the eastern division, leading westward from the mouth of the Kansas river, on the Missouri, has actually commenced. The whole of that division, including that part of the line

west of the 100th meridian to the foot of the Rocky mountains, is on a nearly level plain, and is singularly easy of construction. Its western end will strike the most prominent point of the auriferous regions in the Territory of Colorado, where the annual product of gold, as stated in the official message of territorial governor, is from five to ten millions of dollars. The gold is there extracted by crushing machines from the quartz, in which it is found extensively distributed, needing only the railway from the Missouri to cheaply carry the necessary miners, with their machinery and supplies. The distance to that point will be about six hundred and fifty miles, which will be passed in twenty-eight hours. When completed, as it easily may be within the next three years, it will open the way for such an exodus of miners, as the country has not seen since the first discoveries in California, to which the American people rushed with such avidity, many of them circumnavigating Cape Horn to reach the scene of attraction.

Meanwhile, a corresponding movement has commenced on the Pacific, in vigorously prosecuting the construction of the railway eastward from the coast, at or near San Francisco, which will cross the Sierra Nevada at an elevation of about 7,000 feet, on the eastern line of California, in the 120th parallel of longitude, and there descend into the Territory of Nevada, at the rich silver mines of Washoe.

It is not yet possible to estimate with any accuracy the extent of these deposits of gold and silver, but they are already known to exist at very numerous localities in and between the Rocky mountains and the Sierra Nevada, not to mention the rich quartz mining regions in California itself, which continue to pour out their volumes of gold to affect, whether for good or ill, the financial condition of the civilized world. During the last six months gold has been obtained in such quantities, from the Sands of the Snake river, and other confluents of the Columbia river, as to attract more than twenty thousand persons to the remote portion of our metalliferous interior. The products of these streams alone for the present year are estimated at twenty millions of dollars.

The Commissioners of the General Land Office, in his official report of the 29th December, 1862, states as follows:

"The great auriferous region of the United States, in the western portion of the continent, stretches from the 49th degree of north latitude, and Puget sound to the 30° 30′ parallel, and from the 102d degree of longitude west of Greenwich to the Pacific ocean, embracing portions of Dakota, Nabraska, Colorado, all of New Mexico, with Arizona, Utah, Nevada, California, Oregon and Washington Territories. It may be designated as comprising 17 degrees of latitude, or a breadth of eleven hundred miles from north to south, and of nearly equal longitudinal extension, making an area of more than a million square miles.

"This vast region is traverse from north to south, first, on the Pacific side, by the Sierra Nevada and Cascade mountains, then, by the Blue and Humboldt; on the east, by the double ranges of the Rocky mountains, embracing the Wahsatch and the Wind River chain, and the Sierra Madre, stretching longitudinally and in lateral spurs, crossed and linked together by intervening ridges, connecting the whole system by five principal ranges, dividing the country into an equal number of basins, each being nearly surrounded by mountains, and watered by mountain streams and snows, thereby interspersing this immense territory with bodies of agricultural lands, equal to the support not only of miners, but of a dense population."

"These mountains," he continues, "are literally stocked with minerals; gold and silver being interspersed in profusion over this immense surface, and daily brought to light by new discoveries." In addition to the deposits of gold and silver, various sections of the whole region are rich in precious stones, marble, gypsum, salt, tin, quicksilver, esphathum, coal, iron, copper, lead, mineral and, medicinal thermal, and cold springs and streams.

"The yield of the precious metals alone of this region, will not fall below one hundred millions of dollars the present year, and it will augment with the increase

of population for centuries to come. Within ten years the annual product of these mines will reach two hundred millions of dollars in the precious metals, and in coal, iron, tin, lead, quicksilver and copper, half the sum." He proposes to subject these minerals to a government tax of 8 per cent, and counts upon a revenue from this source of 25 millions per annum; almost immediately, and upon a proportionate increase in the future. He adds, that "with an amount of labor relatively equal to that expended in California, applied to the gold fields already known to exist outside of that State, the production of this year, including that of California, would exceed four hundred millions. In a word," says he, "the value of these mines is absolutely incalculable."

From the documents and other evidences now before the international statistical congress, it must be apparent that the metalliferous regions of the United States of America are destined, sooner or later, to add materially to the supply of the precious metals, and thereby to affect the currency of the world, especially if taken in connection with the capacity of the auriferous regions of Russia, Australia and British America, and the possibility of increased activity in the mines of Mexico.

The undersigned would, therefore, respectfully beg leave to conclude the present report with the suggestion, that a commission be instituted by the body now assembled, with authority to collect such facts as may be gathered from authentic sources, in respect to the probable future production of gold and silver, and to present them for consideration to the international statistical congress at the the next or some future session.

S. B. RUGGLES.

Berlin, September 11, 1863.

COMMERCIAL REGULATIONS.

CIRCULAR TO COLLECTORS OF CUSTOMS RELATIVE TO CONSULAR RETURNS OF FEES.

We have received from the Treasury Department the following circular, addressed to the Collectors of Custom, under date of June 10, 1864, relative to consular returns of fees:

Sir:—

By the 18th section of the act of Congress, entitled "An Act to regulate the diplomatic and consular systems of the United States," approved August 18, 1856, it is made the duty of all owners, agents, consignees, masters, and commanders of ships and vessels, to whom any receipt for fees shall be given by any consular officer, to furnish a copy thereof to the collector of the district in which such ship or vessel shall first arrive on their return to the United States.

These receipts, or copies thereof, are to be transmitted by the said collector to the Secretary of the Treasury for the information of the accounting officers in the adjustment of consular accounts. It is, by the same section, made the duty of every collector of the customs to forward to the Secretary of the Treasury a statement of all certified invoices which shall come to his office, giving the date of the certificates and the name of the persons for whom issued, and of the consular officer by whom the same was certified; to enable the accounting officers to compare the consular accounts with the receipts and statements thus furnished. Collectors of the customs

are specially instructed to forward the papers referred to promptly and regularly to this department.

They are important in the adjustment of consular accounts, and the regulation requiring their transmission must be enforced.

With great respect,

GEO. HARRINGTON,
Acting Secretary of the Treasury.

NEW MEXICAN TARIFF.

CIRCULAR ISSUED FROM THE IMPERIAL PALACE.

THE following decree has been communicated to me by the secretary of state, treasury, and public credit:

IMPERIAL PALACE, MEXICO, May 9.

SEC. 1. For the better execution of the regulations of January 25 of this year, permitting the importation of various goods that were prohibited by the sixth article of the General Tariff of 31st January, 1856, placing a duty of thirty per cent, *ad valorem*, the imperial government, in conformity with the representation of the inspector of custom houses in the Gulf of Mexico, has decided on the following regulations:

ART. 1. The value to be declared in the custom houses by the consignees, on asking for dispatch of the goods consigned, is to be the value they may bear in the ports at which they are shipped at the time of shipment. This value includes, consequenly, cost price in the foreign market, and charges, such as freights, insurance, commissions, &c., that form in the market the commercial value, less the duties of importation.

ART. 2. The duly of thirty per cent, *ad valorem*,, as well as the equivalent duties imposed on merchandise, specified in article five of these regulations, shall not have the benefit of the fifty per cent discount allowed by the decree of 1st May, 1863, paying, besides the additional imports established by article eleven of the general tariff.

ART. 3. Continuing in force in the bearings most favorable to commerce, the regulations of article nine of said tariff of 1856, collecting on the goods referred to the amount of the additional duties, besides those designated, and on those which do not compose the discount of the fifty per cent allowed by the decree of May 1, 1863.

ART. 4. There shall be paid on importations the thirty per cent, *ad valorem*.

1. On metal buttons of all sorts that may have engraved or stamped upon them national or foreign arms.
2. Playing cards, style of the country.
3. Ordinary shoes, whether of leather or cloth, with soles, for men, women, or children.
4. Bridles, bits or spurs, style of the country, and saddles, with their trappings.
5. The textures of all sorts for shawls, spotted, marbled, or stamped, in imitation of those of the country. The textures for zarapes, or blankets of cotton, or pure wool, or mixed of the two materials, that shall not be counterpanes of pique without seam.
6. Tobacco in the leaf.

ART. 5. All other goods shall pay the following duties:

Coffee, $4.50 per 100 lbs.
Wax candles, $20 per 100 lbs.
Brandies, or liquors from cane, in bottles, $15 per 100 lbs. Ditto, including rum and tafice, in barrels, $12 per 100 lbs.
Kirschwassen in bottles, $16 per 100 lbs.
do in barrels, $13 do
Gin, in barrels, $4 per 100 lbs.
Others of different descriptions, not included in the above classifications, or in the descriptions enumerated in the general tariff, in bottles, $8 per 100 lbs, in bbls, $6 per 100 lbs.

Flour, from grain	$1.50	per	100 lbs.
do do corn, barley, or oats	80	do	do
Cereal grain—wheat	80	do	do
do Corn	80	do	do
do Barley	80	do	do
do Oats, &c	20	do	do

Grease or oils, from animals not enumerated in the tariff $4 per 100 lbs.

Dried vegetables and their flour, beans, peas, &c., $1 per 100 lbs.

Rice, in the rough, 50c per 100 lbs.; clean, in grain, $1 per 100 lbs.

Sugar—refined, $5 per 100 lbs.; common, of all sorts, $3 per 100 lbs.

All of which is, by order, communicated to you for your guidance. The sub-secretary of state and treasury,

M. DE CASTILLO.

CUSTOM HOUSE OF VERA CRUZ,
May 21st, 1864.

JOSE FELIPE ITUARTE.

THE CHAMBER OF COMMERCE OF SAN FRANCISCO.

THE following are the names of the officers of the Chamber of Commerce of San Francisco, and schedules of rates of commission and brokerage to be charged, where no express agreement to the contrary exists, &c., &c.

OFFICERS OF THE CHAMBER OF COMMERCE FOR 1864–65.

JAMES DE FREMERY.....President.
C. ADOLPHE LOW.....1st Vice-President.
RODMOND GIBBONS.....2d Vice-President.
W. R. WADSWORTH.....Secretary, Treasurer, and Libarian.

Committee of Appeals.

President, or one of the Vice-Presidents, ex officio Chairman.

A. DIBBLEE, I. FRIEDLANDER, E. LAZARD,
C. F. LOTT, J. B. ROBERTS, ALBERT MILLER.

Committee of Arbitration.

F. W. LADD, Chairman to May, 1865; and members retiring August, 1864.

N. PIERCE, L. B. BENCHLEY, F. L. CASTLE, E. DE RUTTE.

Executive Committee.

J. B. THOMAS, R. G. SNEATH, G. F. BRAGG.

SCHEDULE I.

Rates of Commission and Brokerage to be Charged where no Express Agreement to the contrary exists:

On purchase of stocks, bonds, and all kinds of securities, including the drawing of bills for payment of same	2½	per cent.
On sale of stocks, bonds, and all kinds of securities, including remittances in bills and guarantee	2½	do
On purchase or sale of specie, gold dust or bullion	1	do
On sale of bills of exchange, with endorsement	3½	do
On sale of ditto, without endorsement	1	do
For endorsing bills of exchange, when desired	2½	do
On sale of merchandise from domestic Atlantic ports, with guarantee	7½	do
On sale of merchandise from foreign ports, with guarantee	10	do
On goods received on consignment, and afterwards withdrawn, on invoice cost	2½	do

The receipt of the bill of lading to be considered equivalent to receipt of the goods.

On purchase and shipment of merchandise with funds in hand, on cost and charges	5	per cent.
On ditto without funds in hand, on cost and charges	7½	do
For collecting and remitting delayed or litigated accounts	10	do
For collecting freight by vessels from domestic Atlantic ports, on amount of freight list or charter party	2½	do
For collecting freight by vessels from foreign ports, on amount collected	5	do
For collecting general claims	5	do
For collecting the general average, on the first $20,000, or any smaller amount	7½	do
Ditto on any excess over $20,000	2½	do
For collecting and paying or remitting money, from which no other commission is derived	2½	do
On purchase or sale of vessels	2½	do
For entering, clearing, and transacting ship's business, on vessels with cargo or passengers from foreign ports:		
On vessels under 200 tons register	$50	
do of 200 to 300 do	100	
do of 300 to 500 do	150	
do over 500 do	200	
On vessels from domestic Atlantic ports, where no other commission is earned, according to tonnage	$50 to 200	
For disbursements of vessels by consignees with funds in hand	2½	per cent.
For ditto without funds in hand	5	do
For procuring freight or passengers	5	do
For chartering vessels, on amount of freight, actual or estimated, to be considered as due when the charter parties are signed	5	do
But no charter to be considered binding, till a memorandum, or one of the copies of the charter has been signed.		
On giving bonds for vessels under attachment in litigated cases, on amount of liability	2½	do
For landing and re-shipping goods from vessels in distress, on invoice value, or, in its absence, on marked value	5	do
For receiving and forwarding goods, on invoice amount	2½	do
For effecting marine insurance, on amount insured	½	do

The foregoing commissions to be exclusive of brokerage, and every other charge actually incurred.

Brokerage.

On $1,000 and under	2	per cent.
Over $1,000 to $3,000	1½	do
Over $3,000	1	do

SCHEDULE II.

Rates of Storage on Merchandise.

Measurement goods, per month, $1 per ton of forty cubic feet; heavy ditto $1 per ton of 2,000 lbs.; or, in either case, the amount actually paid. The consignee to have the option of charging by weight or measurement. A fraction of a month to be charged as a month.

REGULATIONS.

Concerning Delivery of Merchandise, Payment of Freight, &c.

When no express stipulation exists, per bill of lading, goods are to be considered as deliverable on shore.

Freight on all goods to be paid, or secured to the satisfaction of the captain or consignee of the vessel, prior to the delivery of the goods.

After the delivery to the purchaser of merchandise sold, no claims for damage, deficiency, or other cause, shall be admissable, unless made within three days, and no such claim shall be admissable after goods sold and delivered have once left the city.

When foreign bills of lading do not expressly stipulate the payment of freight

in a specific coin, foreign currency shall be reckoned according to the United States value thereof, and payment may be made in any legal tender of the United States.

Where foreign bills of lading expressly stipulate that the freight shall be paid in a specific coin, then the same must be procured, if required, or its equivalent given—the rate to be determined by the current value at the time in San Francisco.

For tare on China Sugar 4 lbs. is to be allowed on each mat containing 4 pockets of about 25 lbs. each.

All other rates of tare are to be allowed, as by custom in New York, except when otherwise provided.

ACT AMENDING THE WAREHOUSE ACT.—OFFICIAL COPY.

[PUBLIC—NO. 105.]

AN act to amend an act entitled "An act to extend the time for the withdrawal of goods from public stores and bonded warehouses, and for other purposes," approved 29th February, 1864.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all goods, wares, and merchandise in public stores and bonded warehouses, on which the duties are unpaid, and which shall have been in bond for more than one year and less than three years, may be entered for consumption and the bonds cancel[l]ed at any time before the first day of December next, on payment of duties and charges according to the laws in force at the time the goods shall be withdrawn.

Approved June 17, 1864.

THE BOOK TRADE.

First Principles of a New System of Philosophy. By HERBERT SPENCER. D. APPLETON & Co. *Freedom of Mind in Willing; or, Every Being that Wills a Creative First Cause.* By ROWLAND G. HAZARD. D. APPLETON & Co.

THE knowledge of the laws which govern the universe is science; the investigation of those laws is the study of science, and the investigator is the student of science, or the scientific man. All sciences naturally class themselves under two great subdivisions. They relate either to the knowledge of the laws of mind or of matter. The one prys into the nature of that subtle, internal, motive power, which, in some of its qualifications, neglects all pressure from without, and contains in itself the ability to do, or to leave undone. The other treats of that which is essentially inert; of that which possesses no inherent power of action; which moves not, but is moved only by the influence of some outward pressure. The former has for its object all the thoughts, feelings, and volitions of mind; whether it is the base mind of the brute, the higher intellectual capacity, the more delicate and refined susceptibility, the stronger and more determined will, which has been given to man, or those lofty and glorious attributes peculiar to the Celestials. The latter investigates the laws given by a mind, for the regulation and movement of inactive matter. It treats of the atom

and of the mass; of the most minute distances, and of the boundless regions of ever extended space. It examines the laws which influence the inponderables; the operations of light, heat, electricity, and magnetism; but no where does it speak of that which is not under the influence of some outward force, and which, but for that outward force, would be motionless and dead.

It is sad that this age of scientific inquiry should give comparatively so little attention to the study of metaphysics, and it is truly refreshing to be able to recommend to our readers two works of such scientific value as those of Messrs. HAZARD and SPENCER. Perhaps it is not strange that the study of the mind should have been so much neglected, because it is, perhaps, of all intellectual pursuits the most difficult. A man can go to work and try experiments which are to substantiate or overthrow some preconceived scientific theory. He can settle himself down, with dictionary and grammar, and draw forth, little by little, ideas clothed in the garb of a foreign language. In these cases the action of the mind is outward. The thought goes forth from the individual as subject; and ends in the matter of inquiry as object. In the study of the mind, however, there is a great difference. The student has to think about that which thinks. The action of the mind is now reflexive. The thought goes forth from the individual as subject, (in the same manner as before,) but it returns upon itself, and ends in the same individual as object. Here is where the great difficulty lies; it is easy for the thought to go forth—thinking is the normal condition of the human mind; but the thought seeks some outward object to end in, and when that object is refused to it, and it is compelled to turn from its course and act back upon itself, it does so only by an unnatural effort.

But while we regard metaphysics as the most difficult of intellectual pursuits, we also regard it as the most remunerative. In the study of matter we examine that which cannot move, except as it is acted upon by outward influences; that which neither thinks, feels, nor wills. In the study of mind we examine that mysterious, all-pervading agent, whose dictates base matters must obey, and to whose will base matters must succumb. We examine that divine element which has made man the lord of the lower world, and clothed him in a garb of even heavenly beauty.

The work of Mr. HAZARD is devoted to the subject of the freedom of the will, and, after examining this interesting topic in detail, he devotes the latter half of his book to a Review of Edwards on the Will. The work of Mr. SPENCER is the first of a series, which, when complete, is to unfold one philosophic plan. This volume is designed to determine the true sphere of all rational investigation, as well as those universal and necessary principles established within that sphere. It is to be followed by works on the "Principles of Life;" on "Psychology, or the Science of the Mind;" on the "Science of Human Relations," and, in a fifth and last work, Mr. SPENCER intends to deduce from these the "Principles of Morality," and so to form the theory of right living. Thus we see what an extended subject Mr. SPENCER has taken hold of, and in what a masterly manner he is treating it, so as to make the unity of the whole apparent. We trust that enough interest will be taken in these subjects to encourage those who have given their time and attention to them, to go on and give us the result of their labors in this most interesting field of human inquiry.

History of the Romans under the Empire. By CHARLES MERIVALE, B.D. Vol. IV. D. Appleton & Co.

IT is with pleasure that we present to our readers the fourth volume of Mr. MERIVALE'S valuable history. The previous volumes, which from time to time demanded

our notice, have carried us step by step through the great civil wars, and have shown us the emperial edifice gradually reared upon the ruins of the falling republic. We have now reached that point when the empire is permanently established. "Old things have passed away; all things have become new." By the death of BRUTUS and CASSIUS the murder of the great JULIUS was avenged, and then "all public grounds of civil contention ceased; with the overthrow of SEXTUS the Pompeian faction was extinguished; and, finally, on the deprivation of LEPIDUS and the death of ANTONIUS, even the victorious party acknowledged no divided interests, and OCTAVIUS maintained his place without a rival at its head." The shout of the soldiers at the battle of Actium was the funeral knell of the republic, and the cry of the new born empire; and the Eternal City, so long harassed by anarchy and civil war, was glad, by placing the power in the hands of the youthful hero, to close the temple of JANUS, as a sign of the return of peace. The extended domain to which the young OCTAVIUS aspired, while it was ready to welcome with joy a tranquility under any form of government, still remembered the traditional tyranny of TARQUIN the Proud, and haughtily rejected the hated title of king. It is curious that a people, of such deep penetration and subtle reasoning ability as the Romans, should have been so jealous of a mere title, while they submitted, almost without a murmur, to the reality. "That the name of the republic should be suffered to remain, while the yoke of royal rule was really fixed upon them, was beyond their power to conceive." Accordingly, while OCTAVIUS assumed the title of Imperator, a name with which the Roman people were familiar, and to which he, as commander of the legions, had a just and lawful claim, we nowhere find him mentioned as Rex. It is true he did search the Latin language for a fitting name, by which he might be known, and fixed, at last, upon that of AUGUSTUS; but this, so far from being an index of tyranny, was an epithet applied solely to the gods. The assumption of it by the youthful hero was a masterstroke of policy. It pointed out to the people his own divinity. It reminded them that in his veins flowed the blood of the now deified JULIUS, the descendant of the pious ÆNEAS, the heaven-born child of a goddess. Could such a being disgrace the Roman name, or enslave the Roman people? The idea was absurd. Did not the gods, who guided the Trojan fleet, and saved it from the "ever-mindful wrath of angry Juno," still watch over the Roman people, and rule them in the person of the young AUGUSTUS? And was not their hero himself divine; and could the gods do wrong?

The principal events, which marked the reign of AUGUSTUS, were the pacification of the provinces and the wars with the German tribes. The history of these is related by Mr. MERIVALE in his usual graphic language and interesting style. The latter chapters are devoted to a general survey of the Empire: the vast extent of country, the different classes, languages and religions, which acknowledged the government of one man. The great cities of antiquity, and the important place they occupied in the ancient commonwealth, are discussed in this volume at some length. The author endeavors also to ascertain the population of the Eternal City, in the days of its splendors, from its area, the number of its houses, and the number of the recipients of grain. Lord MACAULAY, in his History of England, pauses in the record of events, to give us some insight into the daily life, the habits and customs of the English people. So does Mr. MERIVALE, before entering upon the reign of TIBERIUS, pause in his historic narrative, to lay before us the every day life of the old inhabitants of Rome. It has always seemed as if a misty atmosphere enveloped the bye-gone ages of antiquity, and the very old heroes we read about, are apt to be regarded somewhat in the character of myths. It is difficult to think of them as men and women, eating,

drinking and sleeping in the same common place way that we do,and when we enter their houses and hold conversation with these old people, to whom Mr. MERIVALE introduces us, we clear away, in a most interesting and instructive manner, those cloudy mists, which partially hid the centuries of long ago, and the whole picture stands out in bold relief from the canvass of the past. In walking about through the streets of Rome, we stumble over several characters with whom our school boy days have made us familiar. The AUGUSTAN age was eminently the palmy day of Roman literature. Then flourished LIVY, VIRGIL, HORACE and OVID, and many others whose names may be less familiar, and in reading of them, and of the times in which they flourished, we are strongly reminded of the days, when with dictionary and grammar, we sadly murdered the beauties of the Aenied, and stumbled through the poetry of the Odes, the Satires and Epistles.

Appleton's Railway and Steam Navigation Guide. Price 25 cents. Published semi-monthly. D. APPLETON & Co., 443 and 445 Broadway.

ONE after another new features have been added to this semi-monthly publication, making "Appleton's Railway Guide" more and more valuable. The object of the publisher has been to thoroughly adapt it to the wants of the traveller, and it is really surprising to see how well they have succeeded in crowding so much information into so small a compass. Certainly great ingenuity and excellent judgement has been displayed in the arrangement.

The general railway map, accompanying each number, is a very useful addition, especially at the present time, when all are so interested in each successive movement and change of our armies. One can see at a glance every railway leading to every important position, which may be assumed by either force. The travelling public will therefore, at the present time, find in this feature new reason for prizing this ever useful book. Seventy-five other maps, of different railroads, are also given, with the names of all the principal stations on the roads.

Biography of Successful Philadelphia Merchants. By STEPHEN N. WINSLOW. Philadelphia. Published by JAMES K. SWAN, 33 South Sixth Street; 1864.

We are glad to see that Mr. WINSLOW has now given us, in book form, the extemely interesting series of sketches of successful Philadelphia merchants, which he first published in the *Commercial List* of that city. Our idea of the value, to the rising generation, of biographies of this kind, is too well known to our readers to need asserting here. But, besides this, they are invaluable as a record of the acts of the men themselves; for the lives of those, in our midst, eminent in commercial and financial circles, make up, in great part, our country's history. How much, for instance, of Philadelphia's prosperity and greatness is due to the efforts of those sketched in this book? The work itself is well gotten up, and embelished with two or three engravings, the first of which is a fine likeness of JOHN GRIGG, the founder of the celebrated house of J. B. LIPPINCOTT & Co., and one of Philadelphia's most successful self made men.

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

SEPTEMBER, 1864.

A VOICE FROM THE WRECK.

THE collapse of the inflated paper issues of Mr. CHASE has only added to the experience of the past a new illustration of the weakness and wickedness of such a system. The Treasury has been run ashore and abandoned by its director amid the breakers of public opinion. But now a solitary voice, through the *Times*, hailing from "the beach," rises in shrill and discordant tones above the sounding waves of public indignation, in denunciation of this Magazine, for non-approval of the disasterous end of this unskilful pilotage.

A similar defence, years since, was made in favor of the Barnegat Pirates, who, by false lights, decoyed the noble merchant ships ashore on that beach for plunder; and our assailant, not inappropriately, dates his tirade "the beaches" where the Federal Treasury is foundering, the prey of the exulting parasites that have lured it to destruction. This critic takes great umbrage that we should have presumed to doubt the indefeasible right of persons, who have read a few law books, and who base a claim thereon to be lawyers, to govern the country, to the exclusion of all other classes. It is the first time certainly that we have ever seen the pretension so audaciously put forward. We know that the country swarms with people who have a smattering of law, but who are destitute of any useful species of learning, and whose abilities encompass only the chicanery and knavery of the lower walks of the profession, enabling them to prey upon society and keep out of the grasp of the law themselves. We know, also, that this pestilent class is the curse of all elective countries; their ill employed and ill paid time enabling them to beset primary meetings, and worm themselves into most of the nominations: and hence they are elected to most of the offices; not because they are selected by the people, but in despite of them. We know that this country and its glorious institutions was brought into being by such men as WASHINGTON and FRANKLIN, the one a printer and the other a surveyor; and we know that the glorious heritage of our government has been well-nigh destroyed, step by step, as it has fallen more and more completely into the hands of

intriguing, unscrupulous and selfish men, whose legal knowledge has been acquired mostly in the squabbles of village pot-houses.

So long as great and learned lawyers, jurists, statesmen and patriots had influence in the councils of the nation, its interests were safe, but when CLAY, WEBSTER, CALHOUN, MCDUFFEE, MANGUM, CASS, BENTON, &c., &c., gave place to the mountebanks who occupy the hours of the Senate with their drunken antics, the fear of approaching national dissolution seized upon every patriot.

We do not of course mean to intimate that our present Treasurer is of this latter class. Very far from it. As we said in our former article, so we think now: that "if the country is fated to be ruled by lawyers in all its departments, perhaps Mr. FESSENDEN is *as good a choice* as may be made." Our objection to him was, however, that he was *merely* a lawyer —that he was not a practical financier. What immense interests are now dependant upon the right management of the Treasury department! We are at this moment raising and spending more money than any other government on the face of the earth. Does it not stand to reason, then, that a man who has made the science of finance and trade his life work, would be better fitted for that position than a mere lawyer? We have no objection to his being learned in the law, or to his having had large experience as a physician, or being well skilled in navigation; but we do most decidedly object when we are sick to have a mere lawyer called to prescribe; or, when we have a vessel to navigate, to have a judge appointed captain; or the finances of a country to manage, yes, to save from ruin, to have the trust conferred upon one whose life has been spent hunting up and applying legal precedents. There are hundreds of merchants and bankers in this city to-day better qualified, by education and life-long experience, for managing the finances of the country at the present time, than the best mere lawyer in the land: and we think that the appointment of such a man would do very much towards restoring confidence. Our Government, now in particular, requires, if it is to be well conducted, that each department should be presided over by a person fitted, by education and experience, for the peculiar duties he is called upon to perform.

To illustrate this idea further, take the war department as an instance. Is it not self-evident, that while a terrible war is being carried on, making necessary the employment of a million of men, that to properly manage that department requires some knowledge of war as a science, and some familiarity with the organization of men and the mathematical sciences?

If we look back at the French revolution, who was the chief that carried the Republic through the fearful dangers of its early efforts? Happily the knot of half educated and knavish lawyers who thrust themselves into the Assembly—the contemplation of whose characters caused EDMUND BURKE to despair of France,—had the wit not to interfere with the able men at the heads of the departments. CARNOT, the profound engineer and accomplished mathematician, saved France by his powers of organization. "CARNOT," said NAPOLEON, "organized victory." His herculean labors, at the moment when the old system fell into ruins, and the population rose *en masse* to defend France, organized one million of men into fourteen armies, and made head against a host of foes that engirdled France. ROBESPIERRE more than once regretted that his own inability to

supply the place compelled the retention of CARNOT in the Committee of public safety; but those mad men had the cunning to recognize the necessity. Had they picked up some pettifogging lawyer, or even one learned in the law, to supplant CARNOT, in the Military Committee, the French Republic would never have existed. Nevertheless, it was ruined in spite of CARNOT, by the CHASE system of Finance, which our assailant in the *Times* now seeks to defend.

He has, however, a very dim notion of what we did say, and quite as dim a notion of what he wants to say himself; and is altogether at fault as to what constitutes the property of a nation. As inaccurate ideas seem to possess many people upon that point, we avail ourselves of this attack by Mr. CHASE's employée for a few words in explanation. The wrecker remarks:

"What is the *patrimony* of a country? Its *actual prosperity* and credit derived from ancestors. Pray what has Mr. CHASE done to *waste* the property and credit of this nation? All his acts are acts done under the laws passed by Congress, and approved by the President. But the *Magazine probably* means that he had it in his power to pursue a different policy, and the policy he did pursue was erroneous. Well, let us examine that, in the light of notorious facts. 1. The *property* of the nation is exactly where it was. It consists of lands, forts, docks, buildings, mines, forests, &c., &c. The wild lands alone are estimated at the *minimum* value of a *thousand millions of dollars*. The right of the Government in the mines, if put up at sale, is worth hundreds of millions more, and the various prices of property held by the Government in the best part of the cities and towns of the country is unquestionably worth an immense sum. *Probably the Government* holds at least *two thousand millions* of dollars in property. This is its actual patrimony. Has Mr. CHASE *wasted* one dollar of that patrimony directly or indirectly? No intelligent man will pretend any such thing. The *Magazine probably* means that he has wasted the *credit* of the country, for property and credit are the only things which compose a patrimony. It is rather a far-fetched meaning, but, since EDMUND BURKE called the *knowledge* of a nation a part of its patrimony, we may consider *credit* so also. What, then, has Mr. CHASE done to waste or injure the credit of the nation?"

The first point here is the effort to relieve Mr. CHASE from responsibility, by putting it upon the laws of Congress. This will not do, however. Every act of Congress was dictated by Mr. CHASE. Not only were bills drawn up in the Treasury Department, and sent to Congress directly, but bills were also sent to the Ways and Means Committee for them to report for immediate passage, as if they had been previously before the House. A notable and late example of this complete subserviency of Congress to the late Treasurer may be seen in the action on the gold bill, which Mr. CHASE had caused to be passed almost unanimously, and which, three weeks after, was repealed by as large a vote, and by the same members, they stating in excuse that they had voted for it at the request of Mr. CHASE, without knowing anything about it. Indeed, Mr. CHASE himself, in his speeches in Ohio last year, claimed the whole *credit* of the policy. The burden of his song was what "*I* did."

The other point in the paragraph is the confounding of the "patrimony of the government" with the "patrimony of the nation." We simply stated in our article, which he criticises, that the late Treasurer had squandered the latter. This apologist of Mr. CHASE, however, has so dim a notion of what constitutes national means, that he talks alternately, and as if they were synonymous terms, of the property the Government holds, and of the property of the nation. The former consists of wild

lands, custom houses, post offices, navy yards, ships, dry docks, public buildings, the White House, the national capitol, &c., &c., all of which have gradually been acquired in all the States by expenditure during two hundred years, mostly within the last thirty years. This is the patrimony or property of the government, and of no avail whatever in payment of debts, as a moment's reflection will show.

But the property or patrimony of the nation is a very different thing. It will be observed that when Mr. CHASE began lavishly to contract debts he began to pledge—what? Not the White House, &c., &c., but clearly the annual earnings of the people; the annual production of the soil; the proceeds of popular labor, in perpetuity to the discharge of those debts, principal and interest. The amount of property held by the Government, or the land it owns, has no applicability whatever to the matter. Thus, the national capitol cost several millions; in what manner can that be made applicable to the payment of a debt? Is it to be sold to the French Emperor, or the King of Dahomey for his amazon warriors? Are the custom houses, and light houses, and ships of war, to be sold? Equally foolish is the talk about wild lands. "The wild lands alone are estimated at the *minimum* value of a thousand millions." Well, suppose they are, what is that to the public creditor? How is he to get his money out of it? Those lands were there in the time of Noah, quite as fertile as now. The Federal Government owned them at the close of the revolutionary war, in addition to the vast tracts now occupied by Ohio and other Western States; but the unfortunate holders of Continental money were none the better for it. The credit of the Federal Government does not depend upon that description of ownership. Thus our critic makes several guesses as to what the "national patrimony" is, but does not succeed in reaching the point.

When this people took possession of this continent they acquired a vast tract of land, which, with the air above it and the water through it, was a fertile instrument of future wealth. Combined with human labor, an annual valuable product was secured. Of this a very large proportion was necessarily consumed by the producers. There remained, however, a surplus each year. This accumulated from year to year, and supplied manufactures; a portion of the profits from which was, also, annually saved. Surplus food was sold abroad, immigrants arrived with capital, and the savings began to manifest themselves in accumulated stocks of goods, furniture, bank stocks, company stocks, railroads; and, finally, in 1860, the total amount of these savings in the Northern States, amounted, per census, to $2,632,709,497. This sum, the aggregate savings during more than 200 years of the annual earnings, constitutes the "national patrimony." It is the fund by which labor is maintained, industry carried on, and production increased.

It will be here noticed that we have not taken into account the value of the real state which is sometimes considered a national resource. It is, however, an error to consider it in that light. The value of real estate consists only in what it produces. Its actual value is embraced in the annual production which we have already considered. The value of the land is proportioned to its production, and any tax whatever, laid upon it, must be paid out of that production. As regards individuals, a rise in the value of land enhances the fortune of the holder. The national wealth,

however, is not changed by it. The wild lands that were originally the property of the Federal Government, have been gradually sold at one dollar per acre, until great States have grown up on them, and the valuation of Illinois land is ten dollars per acre for purposes of taxation. The value of the land, as property, represents its productive power, and is a capitalization of the annual product. If that product fails, the value of the land fails also. If, by taxation, one-half the product is taken, the land value falls one-half. It is not, therefore, a sign of national wealth apart from its annual product.

The nation that held this patrimony, owed no debt, and there was drawn from the annual production very little for government taxes. Of late years the fund has increased with greater rapidity, and if we estimate that even one-half has been accumulated in the last thirty years, the amount saved will be $43,878,491 per annum. Now it is evident that if the federal taxes, during that thirty years, had been $40,000,000 more than they were, there would have been *no accumulation of property*, it would all have been dissipated, or the people would have been compelled to economise and spend less. This was not the case, however, and that splendid "patrimony" was put into Mr. CHASE'S hands three years since, and he has contracted a debt nearly equal to the whole of it. If it were possible to sell out the whole of the personal property of the North, it would not pay the debt. But that is impossible. The only way the debt can be paid at all, is to meet it from the annual earnings. These we have stated at forty-three millions per annum for the last thirty years. If we allow that they were as high as sixty millions, for the ten years up to 1860, we may, on that basis, form an idea of what will be our future payments, and what our means to meet them with. And here the voice from "the beach" calls in question our statements of the public debt, as follows:

"On the 1st day of August, the debt was just *seventeen hundred millions and a fraction*, by Mr. FESSENDEN'S statement, including every species of indebtedness; and yet the *Magazine* boldly adds three hundred millions to the statement, and says the Government is 'almost' bankrupt!"

The amount of debt given in Mr. FESSENDEN'S sworn statement, Aug. 1st, 1864, was:

Principal paper outstanding.....	$1,827,492,170
Interest on " "	76,418,035

The claims, unadjusted accounts, arrears, &c., add several hundred millions to the amount of outstanding paper. Had, therefore, the war closed the day Mr. CHASE resigned, no one can doubt but that the debt would have reached, if not exceeded, the amount we mentioned. The whole of this debt must, sooner or later, be funded, and put in train of payment. If we allow that the whole may reach only $2,500,000 Jan. 1, 1865, and that it can be funded at six per cent, the annual charge will be $150,000,000. Mr. CHASE, page 12 of his annual report, estimates the future peace expenditures at $37,604,499 for the civil service, and $55,845,834 for the army and navy. The pension list will of necessity be at least $50,000,000, all those items will make a sum of $280,000,000 per annum, to which is to be added one per cent for sinking fund of the

debt required by law, and the annual expense will be $305,000,000, or *five times the amount of the national savings.* And here let us remember that this enormous debt has been more than doubled by the use of paper money, and this it is that constitutes the great crime of Mr. CHASE. He knew perfectly well the effect of paper money, and when remonstrated with on its proposed issue, answered that "the people would not bear taxation."

So this system has been continued and pushed until the whole country is alarmed. Even the Commercial Editor of the *Times* has begun to perceive that something is wrong:

"Look," says he, "at the figures: a 5-20 bond for $100 costs a foreigner at present but about $40, and this is all we realize for it in gold. Now, for this, we must pay an annual interest of $6, or 15 per cent; and, in addition to this, must, at maturity, pay $100 in gold, or a bonus of $60 for the privilege of borrowing $40, at an annual interest of 15 per cent. Is not this borrowing at a fearful cost?"

Such, then, is the position to which this glorious (?) CHASE system of finance has brought us. Surely, in the light of such facts, no one will say that we spoke too strongly when we stated in our former article that "the splendid patrimony of the country which, with *carte blanche*, was put into Mr. CHASE's hands, has, with his manipulations, been so *wasted* as to leave the nation now, we might almost say, in a state of bankruptcy." The crime, too, was concealed under the pretense repeated by Mr. CHASE's agent, as follows:

"No man, with any knowledge of our public affairs, will deny that the suspension of specie payments, the issue of government notes, and the loans on bonds, were all inevitable in the progress of a great war."

A greater fallacy than this was never uttered. The great French republic was ruined by the paper system (which Mr. CHASE made his model), in spite of the great abilities of CARNOT as Minister of war. A flood of paper money swept the means of France into the abyss of bankruptcy. This, however, transferred power into the steady hands of NAPOLEON, who, executing the system of CARNOT, while administering the finances himself, to the rigid exclusion of all paper credits, carried on war twenty years, and conquered the whole of Europe.

It is sometimes alleged that NAPOLEON made the war support the war; this was true only to a very limited extent. His vast armies were put in motion by taxes in France on a specie basis. In 1804, when the Emperor was conducting the campaign of Austerlitz, some of the CHASE school of speculators, under OUVRARD, and other great contractors, combined with the Receivers-General to cajole the Bank of France into such an expansion of paper as compelled the bank to suspend. At the receipt of the news the Emperor left the head of his army and flew to Paris. It was then that the rogues advanced Mr. CHASE's sophistry, that all great wars must be carried on with paper. For response, the Emperor threw OUVRARD and the rest into prison, confiscated their property, broke the Receivers-General, annulled the charter of the bank, and organized a new one, which never faltered in its payments up to 1848. There was no more talk in France about carrying on war with paper; and, after conquering the whole of Europe, the Emperor left France with less debt than when he began.

We will add but a word more. Our assailant says, that if what we have stated is truth, it should not be spoken.

"But let us proceed to the next proposition, which is, that Mr. CHASE has so *wasted* the *patrimony* of the nation, that the country is almost in a state of bankruptcy! I do not know whether this assertion is most scandalous in the light of truth or patriotism. If *it be truth, it is scandalous to put it forth in a Merchants' Magazine* in this hour of trial, when the Government is using all means to extend its credit and power."

What words these are for a man who loves his country to utter! Are we to see a public officer pursuing a policy that will ruin the Government, and yet not lift our voices in protest? Criticism may bring about a change and save us; silence allows the evil to continue until all is lost. We love our country too dearly; we desire too earnestly that it may be again united and happy, not to warn those who are sailing our ship of state of the rocks before them. If it is called "patriotism" to keep silence under such circumstances, all we can say is, God save our poor country from such patriots!

THE COMMERCIAL PROGRESS AND RESOURCES OF CENTRAL BRITISH AMERICA.

THE LAKE WINNIPEG AND SASKATCHEWAN DISTRICTS.

By HENRY YOULE HIND, M.A., F.R.G.S., Trinity College, Toronto. (Read before the Statistical Society of London, 19th January, 1864.)

I.—*Resume of the History of Central British America to the Year* 1858.

A CENTURY and a quarter has elapsed since the French Government sent an expedition from Canada through the interior of the American continent, with a view to reach the Pacific Ocean by an overland route.

M. DE LA VERANDERIE, the chief of the expedition, did not succeed in getting as far westward as the Rocky Mountains, but he and his successors constructed a fort three hundred miles west of Lake Winnipeg for the purposes of trade; and about the same time other fortified trading posts were established by the French, still further to the west, the most remote of which was situated near the junction of the north and south Saskatchewan, in long. 103° W.

Prior to this occupation of the Saskatchewan valley, the French had, successfully, attempted to reach Hudson's Bay overland, both from the St. Lawrence and Lake Superior. These expeditions were undertaken when the population of the whole of Canada was less than one-fifth part of the present population of Montreal, and, consequently, less than one-half the population of Toronto.

That the early French colonists were pre-eminently distinguished by their desire for the extension of their territory, the following extracts from the Paris documents will establish beyond doubt, and at the same time convey some idea of their activity and enterprise in the infancy of Cana-

dian history, and also of the projects they formed, and the conceptions they entertained of the extent of the country they intended to colonize as new France, north of the great lakes, more than one hundred years ago.

As early as 1646, we read that SIEUR BOURDON, with three Frenchmen, was sent overland from Quebec to take possession of Hudson's Bay for France. The French had already established a trade with the Indians of Hudson's Bay, and in a few years induced them to come to Quebec to barter their furs.

In 1661, the Rev. CLAUDE DABLON set out overland for Hudson's Bay *via* the Saugenay, but he succeeded in reaching only the head waters of the Nebouka, 300 miles from Lake St. John.

In 1663, the Indians of the Bay du Nord (Hudson's Bay) returned to Quebec in further quest of Frenchmen, and M. DAVAUGOUR sent thither SIEUR DE LA COUTURE, with five men, who proceeded *overland* to the said bay, possession whereof he took in the King's name, noted the latitude, planted a cross, and deposited at the foot of a large tree his Majesty's arms engraved on copper, and laid between two sheets of lead, the whole being covered with some bark of trees.

In 1671, PERE ALBANEL was despatched overland to Hudson's Bay by the Intendant TALON (*via* the Saugenay river); and in the same year (1671) SIEUR DE ST. LUSSON was sent by M. TALON to Sault St. Marie, where he made a treaty with "seventeen Indian nations." The Intendant in his report states that the place SIEUR DE ST. LUSSON reached is not supposed to be 300 leagues from the extremities of the countries bordering on the Vermilion or South Sea. He continues: "The countries bordering on the Western Ocean appear to be no farther from those discovered by the French, according to the calculation of the distance made from the reports of the Indians; and by the maps there does not appear to be more than 1,500 leagues of navigation remaining to Tartary, China and Japan." Even at so early a period in the history of Canada did the French look forward to establishing communication, overland, with the "South Seas," to command the trade of Western Asia; and in another half century the French Government were so impressed with the idea of an overland route to the Pacific that they sent instructions to Quebec to have the exploration effected.

DU CHESNEAU writes in 1681: "They (the English) are still at Hudson's Bay, on the north, and do great damage to our fur trade."

In 1683, M. DE LA BARRE writes to M. DE SEIGNELAY: "The English of Hudson's Bay have this year attracted many of our northern Indians, who for this reason have not come to trade to Montreal. When they learned by expresses, sent them by DU L'HUT on his arrival at Missilimakinak,* that he was coming, they sent him word to come quickly, and they would unite with him to prevent all the others going thither any more. If I stop that pass (Lake Superior to James Bay), as I hope, and as it is necessary to do, as the English of that Bay excite against us the savages, whom SIEUR DE L'HUT alone can quieten, I shall enter into arrangements with those of New York for the surrender to me of any guilty fugitives, but we are desirous to obtain an order to that effect from the Duke of YORK."

* Michillimakinak, Green Bay, and Lake Huron.

And in the same year (1683) M. DE LA BARRE writes to M. DE SEIGNELAY as follows:—"A small vessel has just arrived from Hudson's Gulf, 200 leagues further north than the Bay. * * * It is proper that you let me know early whether the King desire to retain that post, so that it may be done, or the withdrawal of the French, for which purpose I shall dispose matters in order to aid them overland beyond Lake Superior, through SIEUR DU L'HUT, and to send to them by sea to bring back the merchandise and peltries."

In Governor DONGAN's Report on the State of the Province, in 1687, we find a notice of the Hudson's Bay in the New York Colonial Manuscripts:* "Last spring he (the Governor of Canada) sent one DE LA CROA with fifty soldiers and one hundred young men of Canada to the North-West Passage, where, I am certainly informed from Canada, they have taken three forts."† In Mr. NELSON's memorial about the state of the Northern Colonies of America, dated 1696, he says, "there are actually, this instant, now at Versailles, six Sagamoes, or chiefs, sent from Canada, Hudson's Bay, and Nova Scotia, to solicit such help and assistance against us," &c., &c.

M. DE LA VERANDERIE was sent on an overland expedition by the desire of Count MAUREPAS, in the year 1738, to discover the Pacific Ocean. He set out with his party from Montreal, passed through Lake Superior, and, proceeding nearly due west, ascended the Assinniboine river, and, directed his course towards the Rocky Mountains. Without reaching the Rocky Mountains, M. DE LA VERANDERIE was obliged to abandon the prosecution of his expedition. Three hundred miles west of Lake Winnipeg, on the Assinniboine river, the French erected Fort la Reine. Three others were built further west, the most remote of which stood on the bank of the River Paskoyac.‡

MACKENZIE speaks of Canadian missionaries who penetrated "2,800 miles from the civilized parts of the continent long before the cession of the country to the English in 1763!"

The names of several lakes and prominent hill ranges date from the occupation of the country west of Lake Winnipeg by the French, prior to the conquest. Such as Dauphin Lake, Dauphin Mountains, Fort Bourbon, on the Saskatchewan, near the west end of Cedar Lake. The most remote of the French settlements on the Saskatchewan appears to have been "at Nipawee, in lat. 53½, long. 103."§

When we consider these great enterprises in connection with the population of Canada at the time, we cannot fail to be astonished at the energy of the French colonists, and the desire they exhibited to extend their

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* Documents relating to the Colonial History of the State of New York.

† Governor DONGAN refers to Chevalier DE LA TROYE—an account of whose expedition to Hudson's Bay, in 1686, is contained in CHARLEVOIX's History.

‡ Foot note to New York Colonial Manuscripts; Paris Doc.

§ The name "Nipawee" is perhaps the same as Nepowewin or "The Standing Place," the present name of the mission opposite Fort a la Corne. Before the conquest the French had settlements at Dauphin Lake, the Pasquia (near Carrot river or Root river), and at Nipawi, "where they had agricultural instruments and wheel carriages, marks of both being found about the settlements."—MACKENZIE's Voyages.

empire even to the frozen north, and to secure the overland trade with Hudson's Bay and the far unknown west—even to "South Seas."

During the period when they were undertaken, the population of Canada, from 1666 to 1738,* was as follows:—

1666.....	3,418 total population. 1,344 men bearing arms.
1667.....	4,312 total population. 1,556 men capable of bearing arms.
1668.....	5,870 total population. 2,000 men capable of bearing arms.
1679...	9,400 total population.
1685.....	17,100 French inhabitants, men, women, and children. 3,000 men capable of bearing arms.
1738.....	45,000 population: the year M. DE LA VERANDERIE was sent overland to discover the Pacific Ocean.

At this period Upper Canada and a large portion of Lower Canada was a wilderness, and yet the French sought to extend their territorial jurisdiction to the shores of Hudson's Bay; and some years later had visions of grasping the Indian and China trade from the shores of the Pacific, which they hoped to reach overland from Canada.

The most important particulars of the history of Central British America, from the date of the formation of the North-West Company of Montreal in 1783 to its union with the Hudson's Bay Company in 1821, are related in the Blue Book containing the Report of the Committee of the House of Commons on the Hudson's Bay Company's Affairs, published in 1858, and in other accessible documents. It is also well known that partially successful efforts were made by Lord SELKIRK to establish an immigrant agricultural colony on the Red River of the North, which, in the year 1857, numbered 7,000 souls, by the natural increase of the population and the settlement of the servants of the Company. Up to this period, however, namely, the appearance of the Report of the Committee of the House of Commons, in 1858, no other future was admitted to be possible for this vast central region of British America than that of a preserve for the interests of the fur trade.

II.—*Action of the United States' Government, the State of Minnesota, the British and Canadian Governments, and the People of Red River up to* 1863.

In the winter of 1858-59 the machinery, furniture and timbers of a steamer were transported by American citizens from Crow Wing, on the Upper Mississippi, to Fort Abercrombie, on the Red River of the North, where the vessel was built; and in 1859, the first steamer reached Fort Garry.

Eighteen months after the publication of the Parliamentary inquiry, and the preliminary reports of the British and Canadian Exploring Expeditions of 1857 and 1858, the New York Chamber of Commerce turned its attention to Central British America, and published a brief description, slightly colored, of the advantages it possessed. An extract from this re-

* Paris Documents.

port is embodied in an executive document recently published by the United States' Government, entitled, "Relations between the United States and North-West British America." The first voyage of the American steamer was made in June, 1859, from Fort Abercrombie to Fort Garry. Fort Abercrombie is about 200 miles north-west of St. Paul. In the executive document, to which allusion has just been made, the following brief résumé is given of what has been done in the United States with respect to Central British America. "This incident," the voyage of the steamer to Fort Garry, "was the legitimate sequel to events in Minnesota which had transpired during a period of ten years. Organized as a territory in 1849, a single decade had brought the population, the resources, and the public recognition of an American State. A railroad system connecting the lines of the Lake States and provinces at La Crosse, with the international frontier on the Red River at Pembina, was not only projected, but had secured, in aid of its construction, a grant by the Congress of the United States of 3,840 acres a mile, and a loan of state credit to the amount of 20,000 dollars a mile, not exceeding an aggregate of 5,000,000 dollars. Different sections of this important extension of the Canadian and American railways were under contract and in process of construction. In addition, the land surveys of the Federal Government had reached the navigable channel of Red River; and the line of frontier settlement, attended by a weekly mail, had advanced to the same point. Thus the Government of the United States, no less than the people and authorities of Minnesota, were represented in the north-west movement.

The foregoing statement of the condition of things at the beginning of 1860 is not materially changed. The Palmerston Ministry has not prosecuted to effect the masterly and comprehensive policy of Sir E. B. Lytton. The commerce of Minnesota with Selkirk and the Saskatchewan valley has increased, being double in 1861 what was transported in 1860. Selkirk settlement is still unrecognized as a province of England, its population not materially enlarged, and mostly by American emigrants." *

The resolution of the House of Representatives of the 20th May, 1862, is well worthy of attention. It is as follows:

"*Resolved*,—That the Secretary of the Treasury be, and he hereby is requested, to communicate to this House any information in the possession of his department, which he may judge to be in a form suitable for the consideration of the House of Representatives, upon the relations between the United States and North-West British America, particularly the central districts of the Red River of the North and the Saskatchewan."

Mr. Chase replies: "In compliance with the spirit and terms of this resolution, I have caused to be prepared an abstract of the reports of James W. Taylor, Esq., special agent of the Treasury Department, and of other papers on file relating to the subject, which abstract, together with the papers referred to, I have the honor to transmit herewith."

These papers occupy eighty-seven pages of print in octavo form, close,

* "Relations between the United States and Northwest British America." Executive Document, House of Representatives. 1862.

with the recommendation, emanating from Mr. TAYLOR, "that it would be an instance of well directed legislation for the Congress of the United States, and the Parliment of England, to unite in a liberal subsidy, say of $200,000 by each government, for the transmission of a weekly mail from the limits of navigation on the Mississippi river, and the British coast of Lake Superior, by an international route, to the centres of the gold districts of British Columbia and Washington Territory. Similar reciprocity of action has led to unity of interests and sentiments on the opposite coasts of the St. Lawrence and the Great Lakes, itself an effective bond of peace. Why not disarm the whole frontier of the North, by constant multiplication of such ties and guarantees of international concord?"

In Canada, the charter of the North-West Transit Company has not yet expired, and it is in contemplation to obtain a renewal with increased powers during the approaching session of the Provincial Parliament.

The magnificent and eminently patriotic plans of the New Hudson's Bay Company, as described in their prospectus, for the construction of a telagraph, and the establishment of a postal communication across the continent, within the limits of British America, and to open for settlement the rich agricultural areas drained by Red River, the Assinniboine, and the Sasketchewan, are well known here, and require no reference at present.

In 1863, the people of Red River Settlement presented a "Memorial to the British and Canadian Governments," praying for the opening of communication between Canada and British Columbia, entirely within British territory. This memorial, with remarks on the colonization of Central British America, and the establishment of a "Great Territorial Road," by Mr. SANDFORD FLEMING, C.E., was printed by order of the Legislative Assembly of Canada in 1863.

It will thus be seen that great projects relating to Central British America are proposed by the Congress of the United States, the State Government of Minnesota, the Canadian Government, and the Hudson's Bay Company, and it now remains to consider the natural resources of that distant region, which it is intended to bring within reach of the great commercial centres.

III.—*The Agricultural Capabilities of the Red River and Saskatchewan Districts.*

In estimating the agricultural capabilities of the basin of Lake Winnipeg, I bring to bear on the subject the result of personal observation from the head waters of the Winnipeg River, 104 miles west of Lake Superior, to the elbow of the south branch of the Saskatchewan, (long. 108 W.) a distance, measured along the centre of the fertile belt of land which crosses the basin of the Winnipeg, from the Lake of the Woods to the foot of the Rocky Mountains, of about 750 miles. West of the forks of the Saskatchewan to the Rocky Mountains, about 300 miles—I have based my estimates upon the reports of Captain PALLISER and his associates, and upon other reliable sources. A residence of many years in Canada has afforded me, I venture to believe, sufficient experience to admit of me forming a tolerably correct opinion respecting the general features of soil,

its fitness for cultivation, and the amount of labor required to make its cultivation remunerative. But when I say there exists within the basin of Lake Winnipeg an area of cultivable land greater than that which can be found within the province of Canada, I have in view the expenditure over a considerable area of an equal amount of manual labor, in one form or another, to bring it into a proper state for cultivation; the labor in Canada being devoted to clearing away the forests, in the basin of Lake Winnipeg to drainage. But there are many thousand square miles in the fertile belt of Central British America, fitted for the plough in their present natural condition. Those great advantages, which belong to a wide extent of immediately available prairie lands of the richest description, which have led to the rapid peopling of Illinois State, belong also to the Winnipeg and Saskatchewan districts, and the climate of those districts is in no way inferior to that of the central portions of Canada, where winter wheat is successfully grown.*

The agricultural capabilities of the basin of Lake Winnipeg may be summed up as follows:

	Acres.
On the route from Fort William, Lake Superior, to the Lake of the Woods, including the valley of Rainy River	200,000
The fertile belt stretching from the Lake of the Woods to the flanks of the Rocky Mountains, and as far north as the 54th parallel, on the Athabaska, west of McLeod's River (80,000 square miles)	51,200,000
Isolated areas in the prairie plateau, south of the Assinniboine	2,000,000
Isolated areas in the great plain plateau, the extension northwards of the great American desert, and in the valleys of the rivers flowing through it	1,000,000
Total area of land available for agricultural purposes	54,400,000
Approximate area suitable for grazing purposes	30,000,000
Total approximate area fitted for the abode of civilized man	84,400,000
Approximate area of the basin of Lake Winnipeg, within British territory	199,680,000
Area fitted for the abode of civilized man	84,400,000
Desert area unsuitable for the permanent abode of man	115,280,000

Comparing this extent of surface with Canada, we arrive at the following results:

	Acres.
Area of the province of Canada (340,000 square miles)	217,600,000
" occupied by the sedimentary rocks (80,000 square miles)	51,200,000
" " " crystalline rocks	166,400,000
If we suppose that one-sixth of the area occupied by the crystalline rocks is capable of cultivation, as regards soil and climate (an estimate probably in excess), the total amount of land in Canada available for the purpose of settlement will be, approximately	78,900,000
Showing an excess of land fitted for the permanent abode of man, in favor of the basin of Lake Winnipeg over the province of Canada, of	5,500,000

In Upper Canada, with a population of 1,396,091, there are 13,354,907 acres held by proprietors, of which only 6,052,619 acres are under cultivation, cropped, or in pasture. If the whole quantity of land fit for cultivation were occupied in the same proportion, the population of Canada would exceed eighteen millions. At the same ratio of inhabitants to cul-

* Winter wheat has been grown at Red River settlement with success, 1862.

tivable and grazing land, the basin of Lake Winnipeg would sustain a population exceeding 19,000,000; or, leaving out of consideration the land suitable to grazing purposes, its capibilities would be adapted to support 12,000,000 people. If European countries, such as France and Great Britain, were taken as the standard of comparison, or even many of the States of the American Union, the number would be vastly greater.

With reference to the climate of a large part of the Saskatchewan district, M. BOURGEAU, the accomplished botanist, who accompanied Captain PALLISER'S expedition, says:—"In effect, the few attempts at the culture of the cereals already made in the vicinity of the Hudson's Bay Company's trading ports, demonstrate, by their success, how easy it would be to obtain products sufficiently abundant to largely remunerate the efforts of the agriculturist. *There*, in order to put the land under cultivation, it would be necessary only to till the better portion of the soil. The prairies offer natural pasturage, as favorable for the maintenance of numerous herds *as if they had been artificially created.*"

IV.—*Their Mineral Wealth.*

I now proceed to glance at the mineral wealth of this central region of British America. The little that is known of it already establishes the great fact that within 100 miles of the entire length of Lake Winnipeg, on the west side, there are salt springs sufficient to produce as much of that important material, at a very small cost, as will be required for generations to come. Iron ores of the best description for common purposes are distributed over vast areas adjacent to workable beds of lignite coal. Some of the beds of coal are twelve feet in thickness, and have been recognized in the western part of the basin of Lake Winnipeg over several degrees of latitude and longitude.

It is important to bear in mind that, with the lignite coal, the vast deposits of clay iron-stone are associated. These extend much further east than the lignite layers, which have been removed by denudation, and form a very peculiar and important feature in the rocks west and south of the Assininiboine, after it makes its northwesterly bend.*

A large part of the region drained by the north and south branches of the Saskatchewan is underlaid by a variety of coal or lignite. On the North Saskatchewan coal occurs below Edmonton in workable seams.

A section of the river bank in that neighborhood shows, in a vertical space of sixty feet, three seams of lignite; the first, one foot thick, the second, two feet, and the third, six feet thick. DR. HECTOR, who made the section, states that the six-foot seam is pure and compact. † Fifteen miles below the Brazau River, a large tributary to the North Saskatche-

* The vast deposits of iron ore belonging to the cretaceous series of the basin of Lake Winnipeg, acquire especial importance, in consequence of their being associated with equally widely distributed deposits of lignite, and are found not very remote from apparently inexhaustable stores of bitumen and petroleum (on Clear Water River), which, as a fuel adapted to raising elevated temperatures in a regenerating furnace, has no equal.

† "Proceedings of the Geological Society, 1861," p. 421.

wan from the west, the lignite-bearing strata again come into view, and from this point they were traced to the foot of the Rocky Mountains. On the Red Deer River the lignite formation was observed at various points. It forms beds of great thickness; one group of seams measured twenty feet, "of which twelve feet consisted of pure compact coal."—(Dr. Hector.) These coal beds were traced for ten miles on Red Deer River. A great lignite formation of cretaceous age, containing valuable beds of coal, has a very extensive development on the upper waters of the North and South Saskatchewan, the Missouri, and far to the north, in the valley of the Mackenzie. Colonel Lefroy observed this lignite on Peace River, and Dr. Hector recognized it on Smoking River, a tributary of Peace River, also on the Athabaska, McLeod's River and Pembina River, all to the north of the Saskatchewan; "thus proving the range of this formation over a slope rising from 500 to 2,300 feet above the sea, and yet preserving, on the whole, the same characters, and showing no evidence of recent local disturbance, beyond the gentle uplift which has effected this inclination." ‡

V.—*The Winnipeg Gold Field, and the Saskatchewan Gold Field.*

I now approach a subject of especial interest, and I may be pardoned if I dwell upon it with some degree of minutness, and an appearance of individual interest, in the distribution and probable extent of the gold-bearing rocks of the Winnipeg basin. In 1857, on my return from the Red River Settlement, I brought with me a small nugget and some particles of gold, which were given to me by a half-breed, who stated that they had been found in the bed of Sturgeon Creek, a small tributary of the Assinniboine.

I submitted these specimens of gold to the proper authorities in Canada, stating, however, at the time, that I had no geological grounds for the belief that they were found, as alleged, in the vicinity of Fort Garry.

On my return to Red River, in 1858, in charge of the Assinniboine and Saskatchewan expedition, I had the possible existence of gold-bearing rocks near lake Winnipeg, in view; and on the 28th of September of the same year quartz veins penetrating palæozoic rocks (Silurian) were discovered by me, forming islands in St. Martin's Lake, some thirty miles west of Lake Winnipeg. Struck with their importance, I made a short but ineffectual search for gold, the season being too far advanced to admit of a prolonged investigation. I named these islands St. Martin's Rocks, and gave a tolerably minute description of them in my report, which was first published in Canada in 1859, again in London in 1860, in the form of a Blue Book, and also embodied in my narrative of the Canadian expedition, published by Longman, in the same year.

In 1862 several members of the Canadian emigrant party, which left Fort Garry in June, 150 strong, traversed the valley of the Saskatchewan, crossed the Rocky Mountains by the Leather pass, descended the Frazer, and reached New Westminister in the autumn of the same year, discov-

‡ *Ibid.*, p. 420.

ered gold in fine particles on the Assinniboine, the Qu'appelle river, near the Touchwood hills, on numerous tributaries of the North Saskatchewan, and in the flats of the great river itself.

Having received information respecting these discoveries, on which I thought reliance could be placed, I drew up a paper, with illustrative maps, in June last, and submitted it to a member of the Canadian Government, explaining to him, verbally, my views respecting the origin of the gold on the Assinniboine river.

In July last I was informed, by a gentleman holding a high and responsible office in the Hudson Bay Company, and who had just arrived from Fort Garry, that gold in *scales* had been discovered near Fort Ellice, a few miles from the spot where it had been found in fine particles by the Canadian emigrants. This additional evidence from an unimpeachable authority led me to append a note to the paper previously prepared, to the effect that I considered the discovery of gold in scales, near Fort Ellice, afforded complete scientific proof that there existed an eastern or Winnipeg gold-bearing area, wholly distant from the Rocky Mountain gold fields; that the St. Martin's Rocks formed part of this area, and that it extended in a north-westerly direction towards Lake Athabaska, in the form of a narrow belt of intrusive gold-bearing quartz veins, penetrating Silurian, and, probably, also, Devonian rocks, and resembling, in some important particulars, the auriferous region in Victoria, as described by the Government geologist of that colony. It is proper to state that the gold hitherto found over wide areas in the basin of Lake Winnipeg has been obtained solely from the drift, but the drift covering the valley of the Saskatchewan, west of Lake Winnipeg, even as far as 100 miles from the Rocky Mountains,* has travelled in a south-westerly direction, and was derived, originally, from the eastern side of the Lake Winnipeg basin.

Some of the gold found at Edmonton, also in many of the tributaries of the North Saskatchewan, has a Rocky Mountain origin; and auriferous alluvium on the banks of the rivers coming from that range, penetrates and overlaps the auriferous drift derived from the Winnipeg gold field. Already numbers of young men have left the Red River Settlement, and established themselves near Edmonton, where, I have been informed from a reliable private source, they were obtaining, in July last, $15 a day in fine gold, by simply washing the alluvial mud of the River Saskatchewan.

The existence of a Winnipeg gold field, acquires particular importance at the present time for several reasons, prominent among which is the certainty of American progress, westward of the 100th degree of longitude, being arrested by conditions of soil and climate, and its diversion northwards, towards and into the basin of Lake Winnipeg.

(To be continued.)

* Dr. Hector.

THE SANDWICH ISLANDS.

NUMBER III.—HAWAII AND MAUI.

H. B. A.

HAWAII.

A TRIP around the Island of Hawaii, in these modern times, can be made with great ease in a small screw steamer of about four hundred tons burthen, which leaves Honolulu every tenth day, stopping at Lahaina, on the Island of Maui, and making the circuit of Hawaii; calling off every native village, and anchoring at Hilo and Kealekeakua—for a full day at each place. It is certainly the most agreeable, as well as the most expeditious, way to obtain a correct idea of the coast; for to travel through the Island on horseback, crossing mountains fourteen thousand feet high, would be very fatiguing, and the information to be gained would repay no one for his trouble—unless he was about to settle there.

Horseback-riding in volcanic countries is a very different affair from the same exercise on the plain. The mountains are so intersected by ravines, between the mighty streams of lava that at some early period rushed towards the sea in diverging but nearly parallel lines, that the journey is slow and laborious. The ascent of one steep hill is made only to plunge into a deeper valley. On Hawaii the roads lead in zig-zag lines up precipices almost perpendicular. Between Waipio and Hilo, a distance of only forty miles, there are no less than seventy-eight cañons, flanked by perpendicular walls, and some of them are two thousand one hundred feet deep.

The effect of so bold and rocky a coast, seen from the sea, is very fine. The lava-streams, which in ages past have formed the precipitous walls of the Island, ran from the mountains, Mauna Loa, Mauna Kea, and Mauna Hualalai, nearly parallel towards the sea; and, being arrested suddenly by the water, they stand apart from each other like Dutch houses with their gable ends towards the street. The appearance of having been cut or broken off, while in full tide, is the most singular phenomenon presented by these cliffs. Possibly the sea ran many hundred feet higher at the time this lava was flowing than it does at present; under any other supposition it is difficult to account for the smoothness and perpendicularity of the cliff. It is easy to trace the ridges in their flow from above, until all reached a point where the motion suddenly ceased, and to follow the course of some gigantic river of lava, rising in its banks several hundred feet, if not several thousand, in its course down the mountain. From some inequality in the land it has divided, and the two branches form a delta as they approach the sea, with a fertile valley between them; they do not sink gradually to its level, but terminate in a smooth façade, nearly a thousand feet above the surf. Innumerable water-falls tumble over these cliffs into the sea. The country rises gradually for twenty miles from the coast, and is covered with a growth of hard timber on the eastern side of Hawaii. Over this ridge of timbered land the tops of Mauna Kea and Mauna Loa rise to the clouds. The traveller is fortunate if he can

see their summits through the mists that hang around them, or catch a glimpse of the patches of snow on Mauna Kea. Mauna Kea *is* the northern half of Hawaii; it would be incorrect to say that it is *in* it, for its base is the sea-shore. So gradual is the ascent that the eye is deceived in regard to its height, its actual base appearing to be twenty miles from the sea, where it has already attained the height of four thousand feet. As it rises it gradually loses all traces of verdure, and assumes a dull, red color, spotted on the summit with patches of snow. The crater has not been active for many years.

The steamer stops off Waipio just long enough to send a boat ashore and to catch a glimpse of the waterfall in the charming valley of that name. The village is nestled in one of the grandest of mountain gorges, the walls of which are two thousand five hundred feet high, and covered with verdure to the top. At the very base of these hills, which are so nearly perpendicular that it remains a mystery how the inhabitants can ever leave their valley, is a neat church, painted white, and on the left hand, hidden partially by the hill, is a waterfall, never dry, and, in the rainy season, of considerable breadth and volume. Pouring from the overhanging precipice, it throws a silver spray over the valley, twelve hundred feet below, and in its dark setting of green, with a rainbow hovering about its base, it gives a charm to this little resting-place among the hills, that has made Waipio famous among the Hawaiians. It is their favorite valley, and RASSELAS, Prince of Abyssinia, might have found a model retreat, for discontented individuals like himself, under the waterfall of Hilawi.

As we approach Hilo, the coast gradually sinks, and allows of numerous sugar plantations on the slopes towards the sea. The Bay of Hilo, called also Waiakea, is surrounded by them. It is the best harbor in Hawaii, always accessible, and bordered by a country that, with a little Yankee enterprise, might quickly become the garden spot of the Sandwich Islands. Owing to the peculiar shape of the coast, Kilauea and Mauna Loa half encircling it to the west and south-west, while Mauna Kea rises to the north-west, the north-east trades, blowing across the ocean, and full of moisture, seem to part with it over the district of Hilo. "The rain of Hilo" is the Hawaiian simile for a gentle, refreshing shower; and so frequent are these showers, that Hilo, proverbially, has but two in a year, one of which lasts five months, another four. Yet a ride of fifty miles to the westward brings us to a barren district, where rain does not fall for six months or more at a time. Every plant that can be grown in the torrid zone flourishes in the rich moist soil around the Bay of Waiakea. I have seen here, within the space of two or three acres, the cocoa-nut, palm, the banana, bread-fruit, mango, tamarind, lime, cocoa, coffee, sugar-cane, papeia, taro, sweet potato, tomato, maize, orange, lemon, African date, century plant, strawberry, wild apple, alligator pear or agua-carte, cherimoya, pine-apple, and trees and shrubs such as Pride of India, rattoon, and Floraponda, and flowers without number.

With all this capacity of the soil to yield rich returns, Hilo remains but a trifling village, very few foreigners residing there. For a long time it has been one of the stations of the A. B. C. F. M., and the missionaries, Rev. Messrs COAN and LYMAN, still remain here. As the place is principally known by the descriptions of Commodore WILKES, of the U. S.

Exploring Expedition, it is worth while noticing his gross slander that these gentlemen, by their narrow-minded bigotry, had caused all the coffee trees to be rooted up. Taking some pains to inquire into the merits of this story, it appeared from the testimony of persons in no way connected with the mission, both at Hilo and Honolulu, that the statement was entirely without foundation. On the contrary, Mr. COAN had coffee trees growing in his yard at the time, and the officers of the expedition drank coffee, gathered from them, at Mr. COAN's table. A grove of older trees than any on the Island, is certainly growing there now. It would have been very easy to have ascertained the truth of any idle stories afloat, before entering so damaging a slander on the records of a work supposed to aim at great precision. Possibly the vexation the Commodore gives vent to in his history on finding that no bribes could persuade the natives to set out on a journey on the Sabbath, owing to the influence of the missionary, (an influence which he has retained, by the way, to this day over five thousand natives) may account for the Commodore's credulous insertion of the stories of runaway sailors and licentious strangers, and for the singular fact that no correction of it has ever appeared, although the whole tale is notoriously false.

From Hilo to Kealekeakua Bay, on the opposite side of Hawaii, there is very little of interest to be seen. The coast is bleak; bare lava-rocks and extinct craters skirt the sea-shore. Some of these lava-rocks have been hollowed out by the sea into caves, like what are technically called spouting-horns, and through them the water is thrown high into the air with every dash of the surf. A few miles from the shore, generally at five miles or there-abouts, is a belt of forest and fertile soil on which sugar, coffee and oranges are raised.

Kealekeakua Bay, where Capt. COOK met his death, is in the district of Kona, and has seen very little change since the time of that tragedy. The cocoa-nut grove, near the rock where he fell, is standing yet; a few straggling houses have been put up on one side of the Bay, and a road has been cut to the top of the hill, where the savages are believed to have roasted and eaten the body. Here a pitiful pile of stones has been erected as a monument, while on the beach is the rude strip of copper fastened to a cocoa-nut stump, which does not even have the merit of being on the spot where the great sailor fell. Rudely punched in the copper, and rendered nearly illegible by verdigris, is the legend of how certain English captains placed it there, and the final pathetic appeal to

"GIVE THIS A COAT OF TAR."

A little pile of lava boulders is heaped up around the post, which is not a straight post, but has an ugly slant of sixty degrees. Every old chart of the world has a single line below the uncouth name of this Bay, telling that Capt. COOK, the great discoverer, was murdered here; but when one sees this miserable monument, it is hard to believe that it marks anything more memorable than the burial place of some favorite dog. He met a dog's death, and he has a dog's grave!

It is a disgrace to the Hawaiian Government, and the English residents of Honolulu, that a decent stone has not been put up on this beach. The least that the Government could do would be to erect a light-house in the harbor and call it COOK's. Any one who has made the land here on a dark night knows that it is needed.

After leaving Kealekeakua Bay there is no other place of interest until we reach Kawaihae, a desolate spot in Kohala, on the side of Mauna Hualalai. Lava boulders of enormous size, like the drift one sees scattered over New England, are dropped down the side of the mountain, and little can be grown there. Provisions are brought from the other side of the Island, with the exception of potatoes, the place being a famous depot where, in former times, before it was found how much superior California potatoes were to any grown in the tropics, the whalers supplied themselves annually.

There is an old temple at Kawaihae, now in ruins, which was the last heathen temple built by KAMEHAMEHA the First, and the last on which human sacrifices were offered. Heathen temples are very rare in Hawaii, the natives having torn down immense numbers of them soon after the introduction of the Christian religion, and even before the landing of the missionaries, when, of their own accord, they renounced idolatry and broke the sacred *tabus;* but this temple appears never to have been disturbed, and not to have suffered more than might be expected after fifty years of exposure to the weather. It is built on the side of a hill, being only a series of platforms or steps, jutting out from the hill in semi-circles, and rising one above the other. These platforms consist of large lava rocks, the top-most rows of which are fitted neatly and cemented with mortar, which was evidently obtained from the coral reef, being full of minute shells. A floor as hard as Roman cement has thus been obtained, and it is, for the most part, as perfect as when laid down. Three grand platforms make the temple, the highest of the three having a ditch cut in the hill on the level of the platform, and beyond the ditch a wall, perpendicular on the side towards the temple, but sloping outwards towards the hill, so that its base is very broad. This peculiar arrangement enabled the people, standing upon the hill, and even scattered upon the sea in their boats, to have a full view of the sacrifices. Thousands—tens of thousands—could collect around the great temple of Kawaihae, and see every action of the priests. It is not improbable that on their solemn occasions priests occupied all the three platforms simultaneously, and that the sacrifices were accompanied by imposing ceremonies in the presence of a vast concourse of people.

The natives have a tradition that KAMEHAMEHA, who was distinguished by the energy he brought to bear on everything he undertook, employed all the males on the Island to build this great temple, that he laid the first stone himself, and that the whole work was completed in three days.

Traditions are not worth much, but if this one tells the truth it proves that the ancient Hawaiians were an infinitely more industrious race than their descendants.

MAUI.

LAHAINA, in the island of Maui, was at one time the principal business town of the Sandwich group, and as many as a hundred whale-ships have been anchored at a time in the roadstead, formed by the leg of the mountains which overhang the town. All this is changed now, and scarcely twenty ships visit the place in a year. It is out of the track of China-bound vessels; and these, in any case, do not like to touch at the islands

if it can be avoided, from the effect they have on the trade-winds, an effect which is felt for more than a hundred miles to the westward.

Whale ships looking for fresh provisions, and the few small craft engaged in the inter-island trade, are, therefore, the only vessels seen at Lahaina. What it may have been in former times it is difficult to say, but now it has the air of "having seen better days." Here, as elsewhere on the Sandwich Islands, are signs of a dense population in the past; the rich soil at the base of the volcanoes has been long and industriously cultivated. It is probably as rich as any in Maui, and although lack of rain often converts it into a dry red powder, which penetrates every where. If irrigation is used, this lava-dust exceeds all other soils in fertility. The sugar-cane ripens here every year, and grows to a great height and thickness. Although not as extensively cultivated as it might be, the natives raise it in little patches. Their cane is ground in a small mill, erected by Americans, and the sugar-grinder is paid by a certain proportion of the product—generally one-half or three-fifths. This system has been adopted on account of the difficulty of obtaining any considerable tract of land in this locality, the native families clinging to their homes with unusual tenacity, and, I believe, that this is the only place in the Kingdom where any considerable tract of land is covered with cane belonging to natives. All the large plantations are owned by foreigners, generally Americans, a few are worked as joint stock companies, and some are held by Chinamen.

Approaching Lahaina from the sea, there is a grand view of the mountains behind the town. They are split by three immense gorges, and, at a distance, it appears as if the hills were split assunder, and the fragments tottering, so irregular are the vast crevices between them, and their angels at so many degrees from the perpendicular. On near approach these gorges are seen to be of origin similar to those already described on Hawaii, each mountain having been a volcano that discharged lava, not only from its top, but from holes and cones in every direction along its sides. There is no regular peak in the chain, each irregular shape stands off from the next, with a narrow chasm between. Their sides are bare, excepting on the slope near the base, where it approaches the sea, but the narrow gorges are watered by little streams.

These mountains are probably 6,000 feet high, and their summits five miles from Lahaina, but they appear to take their rise from the town itself, and in the clear air of that latitude their tops seem scarcely a mile away.

The town is scattered for a mile along the beach, stretching back only a few hundred yards. It is a dingy, slovenly-looking place, the few better dwellings being on the beach, facing the grand surf that tumbles over the bar at all times, the tops of the waves blown off by the trade winds, and the line of spray running along the crests of the combers, glistening like the flowing mane of a horse at full gallop in the sunshine. They are shaded by cocoa-nut palms, and singular looking bread-fruit trees, with their leaves all twisted in contrary directions, like the feathers of that curious Javanese fowl which persist in growing the wrong way. The bread-fruit and the banana are very plenty at Lahaina, more of the former being found here than in any other village on the windward Islands of the group.

Besides the sugar-mill spoken of above, which is placed a few rods out of the town, Lahaina boasts a Court-House and Post Office, and one two-story warehouse with a conspicious sign—"Consulate of the United States," over which the head of the present incumbent may be seen at any hour of the day, gazing into the offing for vessels that rarely come. The amount of business may be inferred from the office furniture, consisting of a spy-glass, the consular seal, and a pipe. Besides these, the prominent public buildings on the beach, are a native church, a Catholic cathedral, and a Seamen's Bethel, grog-shops innumerable—once flourishing but now all deserted; and, in consequence, the tumble-down old jail in sight, is not over-crowded as it used to be.

The Seminary of Lahaina is on the side of a mountain, about two miles distant from the town, but as this well-known college of the Pacific was closed, to allow the students to attend the yearly gathering at Honolulu, it was not worth while to climb the sultry road, where the fine dust penetrates the clothing, like that of which we are told by men who have taken the overland route to California, where they dare not wash their faces, lest the alkaline properties of the dust should carry the skin off with the dirt.

There is an air of decay and neglect about Lahaina that makes it very unattractive, especially when it is found to be the sultriest place in the Sandwich Islands. The thermometer is rarely below 83°, and six hours rain does not occur in as many months. The pleasantest hours of the twenty-four are between day-break and seven o'clock, when a plunge in the surf prepares the whole man for the sultry day. Even this pleasure must be taken with caution; innumerable sharks prowling near the shore, give the surf of Lahaina a reputation almost as bad as that of the west coast of Africa.

A ride of ten or fifteen miles over the mountains behind Lahaina, brings us to an entirely different country. The passage of the mountains is rugged in the extreme; the winding roads lead along the sides of lava precipices, and to positions where there is room for only a single animal to pass, and then only with great caution. From their summits we look down upon a vast plain, covered with sand-dunes, across which the trade winds are always sweeping, raising whirlwinds of dust and sand, and beyond the plain is Haleakala, the "House of the Sun," the largest crater in the world. The plain between is so smooth and unbroken that it is evidently formed by the gentle flow of the lava from each opposing mountain spread out and swept bare by the winds and waves. So smooth is it that one can almost imagine that he sees where the tidal waves of lava have met on its surface. Descending to it, it is found to be marked with the same ripples and whirl-pools as are found on the road to Kilauea. The level rock is swept and kept clean by the strong prevailing winds. and then, for miles again, we are laboriously plodding among sand-dunes, thrown up to the height of fifty or sixty feet. In this desolate waste there is a single heaven-forsaken village, called Kalepolepo—a mere cluster of native huts, around a few stunted chcoa-nut trees—not a sign of cultivation of—nothing but sand, heaped up on the very houses, lying on their straw roofs, and drifting over the canoes—a dreary scene, that but for the fierce sun beating down upon his head, would make the traveller believe that the dazzling sand-heaps were snow-drifts, and the

scene and time a Russian winter. Even the dogs have a gaunt air, like wolves.

All the way across this arid plain, the top of Haleakala is seen over the clouds, and seems but a short distance off, although the ride would occupy the entire day. Thick clouds cover the sides of the mountain, and make the distance deceptive. The road is not bad, and the traveller is well repaid for his trouble, by the grandeur of the view that bursts upon him from the summit. Well is it called "the House of the Sun," at sunrise and sun-set the prospect is magnificent. The three great mountains of Hawaii are plainly seen over the clouds; Maui, Molokai, and Ohau, are spread out below; Lanai and Kahoolawe, and the rock Molokini, would scarcely make a respectable sugar-plantation, while under us is that immense crater, which is ten miles from side to side.

The craters of Haleakala and Kilauea are like, and yet unlike. They both have walls of great height, enclosing a vast surface of ground; but Haleakala is three times the size of Kilauea, and has long been silent. Great cones, or extinct volcanoes, in it, look like ant-hills from the walls, but on near approach are found to be *hornitos* of considerable size. On one side of the crater is a vast opening left by some old outflow of the lava, through which the clouds rush from below with a grand sweep, now partially obscuring the pit, and again quite hiding from the view the vast plain within the crater, while on the brink of the walls above, all is serene. Currents of air bearing clouds with them, are distinctly seen rushin and out of the crater through this breach in the wall; and yet it is never the same, according to the testimony of all who have been there more than once.

Judging from the size of the crater, and the area of its base, as well as the innumerable cones upon its side, which have evidently been active volcanoes, probably at periods when the fires of the crater burnt low, the active volcano of Haleakala was, at some remote period, the most stupendous among the mighty works of nature. It is difficult for the imagination to grasp the proportions of so grand a scene—a burning lake, more than thirty miles in circumference, walled in, so that the beholder could look down calmly upon the turbulence below; jets of liquid fire tossed up a thousand feet, and yet falling back into the mighty cauldron; mountains within a mountain, all smoking and vomiting more than sm oke—a horrid molten mass, thick and viscid, glowing with infernal heat. It is not often given to man to look upon scenes of such grandeur as an eruption of Haleakala. Vesuvius would be swallowed up within its walls, for its fires would cover a greater area than the cities of New York, Philadelphia, and Boston. All London might find room there.

FINANCES OF THE STATES.

(Continued from Page 449, Vol. 50.)

NEW JERSEY—CALIFORNIA.

NEW JERSEY.

By the provisions of the act entitled, "An act to change the termination of the fiscal year," approved March 24th, 1863, it is made "the duty of the Treasurer to close his accounts on the 30th day of November in each year, instead of the first day of the meeting of the Legislature, as heretofore required." This change was made to enable the Treasurer to furnish the Governor a synopsis of the financial transactions of the State, to be presented to the Legislature at the commencement of each session. The increasing business of the Treasury rendering it impossible for a Committee of the members of the Legislature to examine the accounts of the Treasurer during the session, without almost entirely neglecting their legislative duties, a Committee of the members of the last Legislature was appointed by concurrent resolution, to make such examination previous to the organization, and report at the opening of the next session. The Committee thus appointed entered upon the discharge of their duties on the 15th day of December, and have now presented their report, from which, and the report of the previous year, we have prepared the following statements.

An examination of the civil account, or State account proper, shows that the total receipts for the fiscal year ending the 30th of November, 1863, and for the previous fiscal year ending Dec. 31, 1862, excluding the cash balances on hand at the commencement of each year, were as follows:

	For year ending Nov. 30, 1863.	For year ending Dec, 31, 1862.
Total receipts	$254,345 53	$263,922 02
Total disbursements for same period	241,775 14	186,073 09
Excess of receipts over disbursements	$12,570 39	$77,849 02
Balance on hand at commencement of year	92,084 57	14,235 55
Balance on hand at end of year	$104,654 96	$92,084 57

The receipts and disbursements, in detail, for the year ending November 30, 1863, were as follows:

Balance Sheet of the Receipts and Disbursements of the State Fund Proper, for the Fiscal Year ending Nov. 30th, 1863:

RECEIPTS.

Balance on hand at last settlement, January 1, 1863	$92,084 57

Receipts from Joint Companies.

Dividends on capital stock	$20,000 00	
Transit duties from Camden and Amboy Railroad Company	126,944 48	
Transit duties from Delaware and Raritan Canal Company	56,529 20	
Interest on joint bonds	2,560 80	
		206,034 48

From other Sources.

Transit duties on New Jersey Railroad and Transportation Company	$20,768 15	
Transit duties on Belvidere and Delaware Railroad Company	45 60	
Tax on capital stock of New Jersey Railroad and Transportation Company	21,989 00	
Tax on capital Stock of Patterson and Ramapo Railroad Company	1,241 12	
Forfeited recognizances	932 18	
Commissioner of Deeds of other States	200 00	
Civil commissions	439 00	
Pedlars' licenses	710 00	
Assessments on private acts	1,986 00	
		48,311 05
Total receipts		$346,430 10

DISBURSEMENTS.

Ordinary Expenses.

Militia	$90 00	
Court of Errors and Appeals	4,857 00	
State Library	569 56	
Deaf and Dumb	3,445 15	
Pennsylvania Training School	2,950 00	
Postage	1,305 22	
Interest	6,240 00	
State Arsenal	292 50	
Blind	3,150 83	
Court of Pardons	1,080 00	
State Prison salaries	28,791 71	
Lunatic Asylum salaries	4,400 00	
State account	13,833 39	
Legislature	21,931 54	
Pensions	759 26	
Incidental account	18,772 79	
Transportation and costs	16,558 77	
Printing	20,071 21	
Salaries	35,034 80	
		$184,133 73

SINKING FUND.

The amount invested in the Sinking Fund is $171,664 64, as will appear by the following statement:

State tax for 1861	$63,260 00
" " " 1862	37,304 64
One year's interest on registered bonds	3,600 00
Fifteen per cent interest United States tax account, $450,000	67,500 00
Total	$171,664 64

CALIFORNIA.

The last report of the Treasurer of California, was made November 2d, 1863, and is simply a brief statement of the receipts and disbursements of the State, from the 14th day of December, 1862, to the 21st day of October, 1863. The present Treasurer had then been in office only a very short time, and was unable, therefore, to present a fuller report at that date (the first Monday of November,) the time fixed by law. Below is a tabular statement of the receipts and payments for the period stated:

RECEIPTS FROM DECEMBER 14, 1862, TO OCTOBER 21, 1863.

Fund.	Balance on hand Dec. 14, 1862.	Receipts from Dec. 14, 1862, to Oct. 21, 1863, inclusive.	Total amount on hand.
General Fund	$103,420 55	$455,173 23	$558,593 78
School Fund	60,252 87	56,885 00	117,137 87
Hospital Fund	7,066 67	9,084 53	16,151 20
Library Fund	1,852 79	20,734 07	22,586 86
Interest and Sinking Fund of 1857	134,930 85	188,074 94	323,005 79
" " " 1860	871 07	7,038 20	8,708 27
Swamp Land Fund	199,140 75	13,406 08	212,546 83
School " "	25,415 20	15,409 29	40,824 49
Estates of Deceased Persons	100 93	75 76	176 69
Seminary Fund	539 55	2,620 00	3,159 55
Public Building Fund	233 27	77 28	310 55
National Tax Fund	134,647 92	107,264 38	241,912 30
Legislative Fund	.....	.....	.....
Military Recruiting Fund	.....	24,260 00	24,260 00
Capitol Fund	.....	4,819 86	4,819 86
Soldier's Relief Fund	.....	1,876 50	1,876 50
Insane Asylum Fund	.....	4,691 25	4,691 25
Military Fund	.....	27,370 25	27,370 25
War Bonds—United States Notes	.....	218,489 29	218,489 29
Totals	$668,471 92	$1,158,148 91	$1,826,620 03

TRANSFER PAYMENTS AND BALANCES.

Fund.	Transfers to	Transfers from	Paid on Warrants.	Balance on hand October 21, 1863.
General Fund	$63,594 97	$50,433 70	$550,999 33	$10,755 72
School Fund	50,433 70	2,163 77	131,556 65	33,850 65
Hospital Fund	.....	.....	2,666 49	13,484 71

Library Fund	595 00	.....	13,780 05	9,401 81
Inter. & Sink. Fd. of '57	.....	.....	239,626 27	83,379 52
" " " '60	.....	.....	6,947 50	1,760 77
Swamp Land Fund	.....	183,125 00	22,145 84	7,275 99
School " "	.....	.....	40,685 00	139 49
Estates of Deceased Persons	.....	.....	.....	176 69
Seminary fund	.....	.....	.....	3,159 55
Public Building Fund.	.....	.....	.....	310 55
National Tax Fund	.....	58,306 20	183,606 10	.....
Legislative Fund	180,000 00	595 00	179,163 51	249 49
Military Recruit. Fund.	.....	.....	21,564 35	2,695 65
Capitol Fund	.....	.....	4,141 36	678 50
Soldiers' Relief Fund	.....	.....	.....	1,876 50
Insane Asylum Fund	.....	.....	4,691 25	.....
Military Fund	.....	.....	24,636 88	2,783 37
War Bond Fund, (U. S. Notes)	.....	.....	90,574 59	127,914 70
Totals	.....	.....	$1,516,785 17	$309,835 66
Deduct U. S notes				127,914 70
Cash balance				$181,920 96

The receipts and disbursements are also given, in a supplemental table, from October 21, 1863, to December 1, 1863. If we add these to the above, we have the account for the eleven and one-half months as follows:

RECEIPTS.

Receipts from October 21, to December 1, 1863	$743,781 91
" as stated above, from Dec. 14, 1862, to Oct. 21, 1863	1,158,148 91
Total receipts from Dec. 14, 1862, to Dec. 1, 1863	$1,901,930 82

PAYMENTS.

Payments from Oct. 21, 1863, to Dec. 1, 1863	$356,443 85
" as stated above, from Dec. 14, 1862, to Oct. 21, 1863	1,516,785 17
Total receipts from Dec. 14, 1862, to Dec. 1, 1863	$1,873,229 02

Below will be found a tabular statement of the receipts and expenditures of the State for thirteen years, to the 30th of June of each year:

Receipts and Expenditures from 1850 *to June* 30, 1862.

	Receipts.	Expenditures.
1850	$3,156	$351,322
1851	330,796	742,272
1852	366,825	1,020,239
1853	454,986	1,456,815
1854	1,022,647	1,499,265
1855	1,155,537	1,471,937
1856	723,290	1,632,765
1857	799,795	1,018,203
1858	12,15,129	983,353
1859	1,184,222	1,109,143
1860	1,198,582	1,165,718

1861	1,292,719	1,462,691
1862	1,031,529	1,146,745
Totals	$10,779,213	$15,060,468
		10,779,213
Excess of expenditures over receipts for 13 years		$4,281,255

The objects for which this money was expended is seen in the following table:

Objects of Expenditure from 1850 *to* 1862, *inclusive.*

Executive	$1,223,425	Insane Asylum	$825,260
Legislature	3,237,103	State Prison	1,546,114
Judiciary	1,333,526	Indian wars	130,590
Printing	1,270,739	Interest State debt	1,793,629
Schools	546,000	Bonds paid	978,815
Hospitals	696,562	Relief purposes	344,698
Indigent sick	85,110	Miscellaneous	1,048,897
Total for 13 years			$15,060,468

DEBT OF CALIFORNIA.

The Treasurer's report for 1862 contained the following statement of the public debt, including the floating and unfunded debt:

Bonds of 1857	$3,727,500
" " 1860	198,500
Due on War Bonds and Coupons issued prior to 1857	220,000
" " " " " " since 1857	338,930
" for amounts audited by War Board	68,621
" to School Fund	475,520
" " " for interest	50,434
Outstanding claims on the Treasury, Dec. 1, 1862	489,780
Total funded and unfunded debt	$5,569,285

Through the kindness of the present Treasurer, Hon. ROMUALDO PACHECO we have received a statement of the total debt January 1, 1864, but not the items; it is as follows:

Total debt Jan. 1, 1864 ..... $5,365,640 71

In 1862, the assessed value of the real and personal property of California, for purposes of taxation, was $163,369,071.

Lands owned by the State.

The State owned, in 1862, 8,807,680 acres of lands, under the following grants:

Grant of School Lands	6,755,200 acres.
" Swamp Lands	1,500,000 "
" Internal improvement	500,000 "
" Seminary	46,080 "
" Public buildings	6,400 "
Total	7,807,680

COMMERCIAL LAW.—NO. 14.

THE CARRIAGE OF GOODS AND PASSENGERS.

(Continued from Page 129.)

THE LIEN OF THE COMMON CARRIER.

By "lien," we have said, is meant a bond, or something which fastens one thing to another. The legal meaning of this word, which we have had occasion to use in preceding articles, is the right of holding or detaining property until some charge against it, or some claim upon the owner on account of it, is satisfied.

The common carrier has this right against all the goods he carries, for his compensation. While he holds them for this purpose, he is not liable for loss or injury to them as a common carrier; that is, not unless the injury happen from his own fault.

He may not only hold the goods for his compensation, but may recover this out of them, by any of the usual means in which a lien upon personal chattels is made productive. That is, he holds them just as if they were pledged to him by the owner as a security for the debt. Therefore, if the debt be not paid in a reasonable time after it is due and demanded, the carrier may have a decree of a court of equity for their sale; or may sell them himself at auction, retaining his pay from the proceeds, and paying over the remainder. But to make this course justifiable and safe, the carrier must wait a reasonable time, and give full notice of his intention, so that the owner may have a convenient opportunity to redeem the goods; and there must be proper advertisement of the sale, and every usual precaution taken to insure a favorable sale; and the carrier must not buy himself, and must conduct in all respects with entire honesty.

If a carrier carries goods for and at the request of a party who does not own them, and at the end of the transit the true owner discovers or interposes and claims them, the carrier might recover his fare if he had rendered a certain service or benefit to the owner by conveying the goods, which service or benefit the owner accepted by there receiving the goods. But it would be a personal claim only which he might sue for, and for which he would have no lien. This, at least, is the conclusion to which we think the principles of the common law would lead; but on the authorities it is somewhat uncertain.

THE LIABILITY OF THE COMMON CARRIER.

This is perfectly well established as a rule of law, although it is very exceptional and peculiar. It is sometimes said to arise from the public carrier being a kind of public officer. But the true reason is the confidence which is necessarily reposed in him, the power he has over the goods intrusted to him, the ease with which he may defraud the owner of them, and yet make it appear that he was not in fault, and the difficulty which the owner might have in making out proof of his default. This reason it is important to remember, because it helps us to construe and

apply the rules of law on this subject. Thus, the rule is that the common carrier is liable for any loss or injury to goods under his charge, unless it be caused by the act of God, or by the public enemy. And this phrase, "the act of God," has been said to mean the same thing as "inevitable (or unavoidable) accident." But this is a mistake. The rule is intended to hold the common carrier responsible wherever it was possible that he caused the loss either by negligence or design.

Hence, the act of God means some act in which neither the carrier himself, nor any other man, had any direct and immediate agency. If, for example, a house in which the goods are at night is struck by lightning, or blown over by a tempest, or washed away by inundation, the carrier is not liable. This is an act of God, although man's agency interferes in causing the loss; for without that agency, the goods would not have been there. But no man could have directly caused the loss. On the other hand, if the building was set on fire by an incendiary at midnight, and the rapid spread of the flames made it absolutely impossible to rescue the goods, this might be an inevitable accident if the carrier were wholly innocent, but it would also be possible that the incendiary was in collusion with the carrier for the purpose of concealing his theft; and therefore the carrier would be liable without showing that this was the case.

As a general rule, the common carrier is always liable for loss by fire, unless it be caused by lightning; and this rule has been applied to steamboats. So, it may be true that after the lightning, the tempest, or inundation, the carrier was negligent, and so lost the goods which might have been saved by proper efforts, or that he took the opportunity to steal them. If this could be shown, the carrier would, of course, be liable; but the law will not presume this, if the first and main cause were such that the carrier *could not* have been guilty in respect to it. So, a common carrier would be liable for a loss caused by a robbery, however sudden, unexpected, and irresistible, or by a theft, however wise and full his precautions, and however subtle and ingenious the theft, although either of these might seem to be "inevitable"; that is, unavoidable by any means of safety which it would be at all reasonable to require.

The "act of God," which suffices to excuse the common carrier for injury to the goods he carries, must be the *immediate*, and not the *remote*, cause of the injury. Thus, an action was brought in England against the master of a vessel navigating the river Ouse and Humber from Selby to Hull, by a person whose goods had been wet and spoiled. At the trial, it appeared in evidence that at the entrance of the harbor at Hull there was a bank on which vessels used to lie in safety, but of which a part had been swept away by a great flood some short time before the misfortune in question, so that it had become perfectly steep, instead of shelving towards the river; that, a few days after this flood, a vessel sunk by getting on this bank, and he mast, which was carried away, was suffered to float in the river, tied to some part of the vessel; and the defendant, upon sailing into the harbor, struck against the mast, which, not giving way, forced the defendant's vessel towards the bank, where she struck, and would have remained safe had the bank remained in its former situation; but on the tide ebbing, her stern sunk into the water, and the goods were spoiled; upon which the defendant tendered evidence to show that there

had been no actual negligence. The judge before whom the case was tried rejected the evidence, and ruled that the act of God which could excuse the defendant must be immediate; but this was too remote; and directed the jury to find a verdict for the plaintiff, and they accordingly did so. The case was afterwards submitted to the consideration of the Court of King's Bench, who approved of the direction of the judge at the trial.

In another English case, it was held that a loss caused by a boat's running on an unknown "snag," in the usual channel of the river, is referable to the act of God. But in a case in Virginia it was held that, where a common carrier strands his boat upon a bar recently formed in the channel of the river, of the existence of which he was previously ignorant, he is liable for the damage done to the freight on board his boat.

The act of God may be negative merely, as where a vessel is wrecked from a failure of wind. Thus, in New York, where a vessel was beating up the Hudson against a light and variable wind, and being near shore, and while changing her tack, the wind suddenly failed, in consequence of which she ran aground and sunk, it was held that the sudden failure of the wind was the act of God, and excused the master; there being no negligence on his part. So it includes whatever loss springs from the inherent nature of the thing; as its fermentation or decay; always provided the carrier took all reasonable precautions, in respect to stowage, exposure, and the like, to prevent this. For whatever the direct and principal cause of injury may be, if the negligence or default of the carrier substantially mingles with it, he is responsible.

The general principles of agency extend to common carriers, and make them liable for the acts of their agents, done while in the discharge of the agency or employment. So the knowledge of his agent is the knowledge of the carrier, if the agent be authorized expressly, or by the nature of his employment, to receive this notice or knowledge. But an agent for a common carrier may act for himself,—as a stage-coachman in carrying parcels, for which he is paid personally and does not account with his employer,—and then the employer, as we have said, is not liable, unless the owner of the goods supposed the stage-coachman carried the goods for his employer, and was justified by the facts and apparent circumstances in so believing.

A carrier may be liable beyond his own route. It is very common for carriers, who share between them the parts of a long route, to unite in the business and the profits, and then all are liable for a loss on any part of the route. Thus, where an association was formed between shippers, on Lake Ontario, and the owners of canal-boats on the Erie Canal, for the transportation of goods and merchandise between the city of New York and the ports and places on Lake Ontario and the River St. Lawrence, and a contract was entered into by the agent of such association for the transportation of goods from the city of New York to Ogdensburg, on the River St. Lawrence, and the goods were lost on Lake Ontario; it was held that *all* the defendants were answerable for the loss, although *some* of them had no interest in the vessel navigating the lake, in which the goods were shipped.

If they are not so united in fact, but seem to be so, and justify a sender in supposing they are united, they are equally liable. Thus, where A and B were jointly interested in the profits of a common stage-wagon, but, by a private agreement between themselves, each undertook the conducting

and management of the wagon, with his own drivers and horses, for specified distances, it was held that, notwithstanding this private agreement, they were jointly responsible to third persons for the negligence of the drivers throughout the whole distance.

If a carrier takes goods to carry only as far as he goes, and then engages to send them forward by another carrier, he is liable as carrier to the end of his own route; he is liable also if he neglects to send the goods on; but he is not liable for what may happen to them afterwards. Thus far the law is quite settled.

It seems to be still the rule in England, that, if a carrier takes goods which are marked or otherwise designated to go to a place beyond his own route, it will be presumed that he agrees to carry them thither, and that he has made arrangements for that purpose, which affect him with the liability of a carrier, through the whole route, unless he can show that the fact is otherwise, and also that the sender understood the fact to be otherwise, or had good reason so to understand it.

It is otherwise in this country, according to the weight of recent authority, and a common carrier will not be held liable, as such, beyond his own route, without evidence of a distinct contract to that effect; and the mere fact of his receiving a package directed to a place beyond his route will not be sufficient evidence for that purpose.

This has been so held by the Supreme Courts of New York, Vermont, Massachusetts, and Connecticut. It is obvious that the opposite rule would be much less safe in this country of immense distances, and where companies sometimes associate, for the purpose of facilitating the carriage of goods over vast spaces, than in England. And we think it open to doubt, whether the rule stated as the English rule will continue without important modifications there.

THE CARRIER OF PASSENGERS.

The carriers of passengers are under a more limited liability than the carriers of goods. This is now well settled. The reason is, that they have not the same control over passengers as over goods; cannot fasten them down, and use other means of securing them. Hence the distinction applies to the carriage of slaves; for, while they are in some respects property, they are also possessed with the same power and necessity of locomotion as other men. But while the liability of the carrier of passengers is thus mitigated, it is still stringent and extreme. No proof of care will excuse the carrier if he loses goods committed to him. But proof of *the utmost care* will excuse him for injury done to passengers.

Some of the authorities, and, as we think, the reason of the case would justify us in saying, that the carrier of passengers is liable for injury to them, unless he can show that he took all possible care—giving always a reasonable construction to this phrase; and in the case of railroad companies, there is authority for using the words in almost their literal meaning; that is, for holding them liable for all injury to passengers which could have been *possibly* avoided.

A NOTICE BY THE CARRIER RESPECTING HIS LIABILITY.

It is now settled—though formerly denied—that the common carrier has a right to make a special agreement with the senders of goods, which

shall materially modify, or even wholly prevent, his liability for accidental loss or injury to the goods. Whether he could make such a bargain with his passengers, to prevent his liability for injury to their persons, is much more doubtful. The question does not seem to have come directly before the courts. And although the language used to express the carrier's rights is sometimes broad enough to extend to the persons or passengers, as well as to their goods, we think it open to doubt whether this was meant, or would be generally admitted as law. And if it were admitted, we should expect the carrier held to stricter proof of a bargain, and to a more definite bargain, with regard to persons, than might suffice as to goods.

The principal question is, what constitutes such a bargain? It seems to be well settled, by the weight of authority in this country, that a mere notice that the carrier is not responsible, or his refusal to be responsible, although brought home to the knowledge of the other party, does not necessarily constitute an agreement. The reason is this. The sender has a right to insist upon sending his goods, and the passenger has a right to insist upon going himself, leaving the carrier to his legal responsibility; and the carrier is bound to take them on these terms. If, therefore, the sender or the passenger, after receiving such notice, only sends or goes in silence, and without expressing any assent, especially if the notice be given at such time, or under such circumstances as would make it inconvenient for the sender not to send, or for the passenger not to go, then the law will not presume from his sending or going an assent to the carrier's terms.

But the assent may be expressed by words, or made manifest by acts; and it is in each case a question of evidence for the jury, whether there was such an agreement.

It seems to be conceded also, that a notice by the carrier, which only limits and defines his liability to a reasonable extent, as one which states what kind of goods he will carry, and what he will not; or to what amount only he will be liable for passengers' baggage, without special notice; or what information he will require, if certain articles, as jewels or gold, are carried; or what increased rates must be paid for such things —any notice of this kind, if in itself reasonable and just, will bind the party receiving it.

No party will be affected by any notice,—neither the carrier, nor a sender of goods, nor a passenger,—unless a knowledge of it can be brought home to him. In a case in Pennsylvania, where the notice was in the English language, and the passenger was a German, who did not understand English, it was held incumbent on the carrier to prove that the passenger had actual knowledge of the limitation in the notice.

But the knowledge may be brought home to him by indirect evidence. As by showing that it was stated on a receipt given to him, or on a ticket sold him, or in a newspaper which he actually read, or, perhaps, in one which he was in the habit of reading, or even that it was a matter of usage, and generally known. But in an action in Massachusetts for lost baggage, it was proved that there was a notice printed on the back of the passage ticket given to the plaintiff, that the defendants would not be responsible beyond a specific sum; but no other notice was given, nor was plaintiff's attention called to this. And it was held that these facts did

not furnish that certain notice which must be given to exonerate such carrier from his liability. This question is one of fact, which the jury will determine upon all the evidence, under the direction of the court. And if the notice is ambiguous, they will be directed to construe it against the carrier.

Any fraud towards the carrier, as a fraudulent disregard of a notice, or an effort to cast on him a responsibility he is not obliged to assume, or to make his liability seem to be greater than it really is, will extinguish the liability of the carrier so far as it is affected by such fraud.

If a carrier gives notice, which he is authorized to give, the party receiving it is bound by it, and the carrier is under no obligation to make a special inquiry or investigation to see that the notice is complied with, but may assume this as done.

It should, however, be remarked, that such notice affects the liability of the common carrier only so far as it is peculiar to him; that is, his liability for a loss which occurs without his agency or fault; for he is just as liable as he would be without notice, for a loss or injury caused by his own negligence or default.

Whether a common carrier could make a valid bargain by which he should be free from all liability, however the loss might occur, may not be certain. But, in the present state of the law, we are inclined to think he might; so far, that such a bargain would protect him against everything but his own wilful or fraudulent misconduct. But no bargain could be made to protect him against this.

THE CARRIER'S LIABILITY FOR GOODS CARRIED BY PASSENGERS.

A CARRIER of goods knows precisely what goods, or rather what parcels and packages, he receives and is responsible for. A carrier of passengers is responsible for the goods they carry with them as baggage; what that is, the carrier does not always know; and he is responsible only to extent of what might be fairly and naturally carried as baggage. This must always be a question of fact, to be settled as such by the jury, upon all the evidence, and under the direction of the court. But there can be no precise and definite standard. A traveller on a long journey needs more money and more baggage than on a short one; one to some places and for some purposes, more than one going to other places or for other purposes.

Thus, in New York it was decided that *baggage* does not properly include money in a trunk, or any articles usually carried about the person. And, in another New York case, it was held that, where the baggage of a passenger consists of an ordinary travelling-trunk, in which there is a large sum of mone, such money is not considered as included under the term *baggage*, so as to render the carrier responsible for it. But a passenger may carry, as baggage, money, not exceeding an amount ordinarily carried for travelling expenses. So in Massachusetts, it was held that common carriers are responsible for money, *bona fide*, included in the baggage of a passenger, for travelling expenses and personal use, to an amount not exceeding what a prudent person would deem proper and necessary for the purpose. In Pennsylvania carriers were held responsible for ladies' trunks containing apparel and jewels. And, in Illinois, a common carrier of passengers was held liable for the loss of a pocket-pistol, and a

pair of duelling pistols, contained in the carpet-bag of a passenger, which was stolen out of the possession of the carrier. But in Tennessee it was held that "a silver watch, worth about thirty-five dollars; also medicines, handcuffs, locks, &c., worth about twenty dollars,"—were not included in the term baggage, and that the carrier was not responsible for their loss. In Ohio, it was held that a gold watch, of the value of ninety-five dollars, was a part of the traveller's baggage, and his trunk a proper place to carry it in. In another New York case, it was held that the owners of steamboats were liable as common carriers for the baggage of passengers; but to subject them to damages for loss thereof, it must be strictly baggage; that is, such articles of necessity and personal convenience as are usually carried by travellers. It was accordingly held, in that case, that the carrier was not liable for the loss of a trunk, containing valuable merchantize and nothing else, although it did not appear that the plaintiff had any other trunk with him. But in a case in Pennsylvania, where the plaintiff was a carpenter moving to the State of Ohio, and his trunk contained carpenters' tools to the value of $55, which the jury found to be the reasonable tools of a carpenter, it was held that he was entitled to recover.

There is some diversity, and perhaps some uncertainty, in the application of the rule; but the rule itself is well settled, and a reasonable construction and application of it must always be made; and for this purpose, the passenger himself, and all the circumstances of the case, must be considered.

The purpose of the rule is to prevent the carrier from becoming liable by the fraud; for this would be the case if a passenger should carry merchandise by way of baggage, and thus make the carrier of passengers a carrier of goods without knowing it, and without having been paid for it.

Generally, a common carrier of passengers, by stage, packet, steamer, or cars, carries the moderate and reasonable baggage of a passenger, without being paid specifically for it. But the law considers a payment for this so far included in the payment of the fare, as to form a sufficient ground for the carrier's liability to the extent above stated.

The carrier is only liable for the goods or baggage delivered to him and placed under his care. Hence, if a sender of goods send with them his own servant, and intrust them to him, and not to the carrier, the carrier is not responsible. So, if a passenger keeps his baggage, or any part of it, on his person, or in his own hands, or within his own sight and immediate control, instead of delivering it to the carrier or his servants, the carrier is not liable, *as carrier*, for any loss or injury which may happen to them; that is, not liable without actual default in relation to these specific things. Thus, in an action brought in New York to charge a railroad, as common carriers, for the loss of an overcoat belonging to a passenger, it appeared that the coat was not delivered to the defendants, but that the passenger, having placed it on the seat of the car in which he sat, forgot to take it with him when he left, and it was afterwards stolen; and it was held that the defendants were not liable. But if the baggage of a passenger is delivered to a common carrier, he is liable for it in the same way, and to the same extent, as he is for goods which he carries.

There has grown up in this country a very peculiar exception to the rules of evidence, in relation to traveller's baggage. This exception per-

mits the traveller to maintain his action against the carrier by proving, by his own testimony, the contents of a lost trunk or box, and their value. It is said to rest altogether upon necessity. And, therefore, the testimony of the wife of the owner is similarly admissable. But it is always limited to such things—in quantity, quality, kind, and value—as might reasonably be supposed to be caraied in such trunk or valise. Thus in the State of Maine, where the plaintiff proved that he had delivered to the defendants a box, to be carried to a certain place; that the box was not delivered; that he had made a demand thereof; and that the defendants admitted its loss; and then "offered to show, by his own testimony, (it not appearing that he had any other means of showing it,) what was in said box, and the value of the articles," the declaration having alleged that the box contained medical books, surgical instruments, and chemical apparatus, it was held that the plaintiff's oath was inadmissable. The rule, with this limitation, seems reasonable and safe, and is quite generally adopted. In Massachusetts it was distinctly denied by the Supreme Court, but was afterwards established by statute.

The common carrier of goods or of passengers is liable to third parties for any injury done to them by the negligence or default of the carrier, or of his servants. So he is for injury to property by the wayside, caused by his fault. But the negligence of the party suffering the injury, if it was material and contributed to the injury, is a good defence for the carrier; unless malice on his part can be shown. Where the party injured is in fault, the common carrier has still been held liable, if that fault was made possible and injurious through the fault of the carrier. Thus, in a case in England, where a party was sued, not as a carrier, but for damage caused by his fault, in which case the defendant's servant left a horse and cart unattended in a public street, and the plaintiff, a child under seven years of age, during the driver's absence, climbed on the wheel, and other children urged forward the horse, whereby the plaintiff was thrown to the ground and hurt, it was held that the jury were justified in finding a verdict for the plaintiff, although the plaintiff was a trespasser, and contributed to the injury by his own act.

Whether a railroad company is responsible for fire set to buildings or property along the road, without negligence on its part, has been much considered, both in England and in this country. In some of our States they are made so liable by statute provision. And this fact, together with the general principles of liability for injury done, would seem to lead to the conclusion, that they are not liable unless in fault, or unless made so by statute.

A frequent cause of disaster, both on land on the ocean, is collision. For this, a carrier by land, a railroad company for example, should be held liable, in our view of this question, unless the company could show that it took all possible care to prevent the collision; and we do not know that the general principles of law in relation to carriers could lead to any other conclusion.

The common carrier at sea, whether under canvas or steam, must be held to a careful, if not a strict, compliance with the rules and practice applicable to each case of meeting another vessel, which have been devised for the purpose of preventing collision and of whlch we shall treat in our chapter on the Law of Shipping.

THE NEW INTERNAL REVENUE LAW.

We have prepared the following alphabetical table of the Taxes and Stamp Duties under the Revenue Law, passed at the first session of the thirty-eighth Congress, and approved June 30, 1864. It will be found very full and complete, and, at the same time, extremely convenient and useful, nothing similar to it having yet been published:—

Advertisements, tax on gross receipts for	3 per cent
Advertisements (exempt), all receipts for, to the amount of $600	No tax
in newspapers whose circulation does not exceed two thousand copies	No tax
Agents of Insurance Companies, license of	$10
Foreign Insurance companies, license of	$50
Agreement or contract, other than those specified as requiring a different duty; any appraisement of value or damage, or for any other purpose; for every sheet or piece of paper upon which either of the same shall be written, a stamp duty of five cents is required	5 cents
Provided, that if more than one appraisement, agreement, or contract shall be written upon one sheet or piece of paper, a five cent stamp for each and every additional appraisement, agreement, or contract, is necessary.	
Alcohol made of spirits which have paid taxes	No tax
Apothecaries, license of (except wholesale and retail dealers who have taken out a license therefor)	$10
whose sales do not amount to $1000 per annum	Exempt
Ale, lager beer and porter, per barrel of thirty-one gallons (and at a like rate for any other quantity, or for fractional parts of a barrel)	$1 25
Ale, lager beer and porter in bottles, for thirty-one gallons (when the duty has not been previously paid on the liquors)	$1
Ambrotypes. Any person who makes ambrotypes for sale, license is same as for "Photographers."	
Animal oils, per gallon, tax	5 cents
Architects, for license	$10
Assayers, assaying gold and silver, or either, of a value not exceeding in one year, $250,000, for license	$100
when the value exceeds $250,000, and does not exceed $500,000, for license	$200
when the value exceeds $500,000, for license	$500
Auctioneers, whose annual sales do not exceed $10,000, for license	$10
whose annual sales exceed $10,000, for license	$20
Auction sales of goods, real estate, merchandise, articles and things, including all sales of stocks, bonds, and other securities, tax on the gross amount of sale,	¼ of 1 per cent
Awnings, tax on gross amount of sales	5 per cent
Bags, tax on gross amount of sales, or total value removed for consumption or for delivery	5 per cent
Banks, on average amount of deposits, each month	1-24th of 1 per cent

Banks, on average amount of circulation, each month . 1-12th of 1 per cent
issuing above 90 per cent of their capital in circulating notes, additional tax of . . . 1-6th of 1 per cent
tax on average amount of capital beyond the amount invested in U. S. bonds, each month . 1-24th of 1 per cent
tax on all dividends, in scrip or money, . . . 5 per cent
not making dividends, to pay a tax on their profits, of . 5 per cent
Bankers, using capital not exceeding $50,000, license duty of . $100
using capital exceeding $50,000, for every additional $,1000 in excess of $500,000, license duty . . . $2
Bank check, draft, or order for the payment of any sum of money whatsoever, drawn upon any bank, banker, or trust company, or for any sum exceeding ten dollars drawn upon any other person or persons, companies or corporations, at sight or on demand, a stamp duty of two cents . . . . 2 cents
Barytes, sulphate of, tax per 100 pounds . . . 12 cents
Barks, hulls of, hereafter built or finished, on their valuation . 2 per cent
Barges, on gross receipts . . . . . 2½ per cent
Beer. See "Malt Liquors."
Benzine, tax per gallon . . . . . 20 cents
Benzole, tax per gallon . . . . . 20 cents
Bi-Carbonate of soda, tax per pound . . . . 5 mills
Billheads, tax on value of same . . . . 5 per cent
Billiard tables, kept for use, tax for each table . . $10
Provided, That billiard tables kept for hire, and upon which a license tax has been imposed, shall not be required to pay the tax on billiard tables kept for use as aforesaid, anything herein to the contrary notwithstanding.
Billiard rooms, license for each table $10
Bill of Exchange (inland), draft, or order for the payment of any sum of money, not exceeding one hundred dollars otherwise than at sight or on demand, or any promissory note (except bank notes issued for circulation, and checks made and intended to be forthwith presented, and which shall be presented to a bank or banker for payment), or any memorandum, check, receipt, or other written or printed evidence of an amount of money to be paid on demand, or at a time designated, for a sum not exceeding one hundred dollars, five cent stamp required 5 cents
And for every additional hundred dollars, or fractional part thereof in excess of one hundred, five cent stamp . 5 cents
Bill of Exchange (foreign), or letter of credit, drawn in but payable out of the United States, if drawn singly, or otherwise than in a set of three or more, according to the custom of merchants and bankers, are required to have stamps the same as inland bills of exchange or promissory notes.
If drawn in sets of three or more: for every bill of each set, where the sum made payable shall not exceed one hundred dollars, or the equivalent thereof, in any foreign currency in which such bills may be expressed, according to the standard of value fixed by the United States, two cent stamp 2 cents
And for every additional hundred dollars or fractional part thereof in excess of one hundred dollars, two cent stamp . 2 cents
Bill of Lading or receipt (other than charter-pay), for any goods, merchandise, or effects to be exported from a port or place in the United States to any foreign port or place, ten cent stamp . 10 cents

Bill of Sale, by which any ship or vessel, or any part thereof, shall be conveyed to or vested in any other person or persons when the consideration shall not exceed five hundred dollars, fifty cent stamp . . . . 50 cents
Exceeding five hundred and not exceeding one thousand dollars, one dollar stamp $1
Exceeding one thousand dollars for every additional amount of five hundred dollars, or fractional part thereof, fifty cent stamp . . . . . 50 cents
Binders' board, tax on the value . . . . 3 per cent
Boards . . . . . No tax
Bolts, iron. See "Iron."
Bond.—For indemnifying any person for the payment of any sum of money, where the money ultimately recoverable thereupon is one thousand dollars or less, fifty cent stamp is required . . . . . 50 cents
Where the money ultimately recoverable thereupon exceeds one thousand dollars, for every additional one thousand dollars or fractional part thereof in excess of one thousand dollars, fifty cent stamp . . . . 50 cents
For the due execution or performance of the duties of any office, one dollar stamp $1
Of any description, other than such as may be required in legal proceedings, or used in connexion with mortgage deeds, and not otherwise charged in this schedule, twenty-five cent stamp . . . . . 25 cents
Bonds of canal companies . . . . . 5 per cent
auction sales of, on gross amount of sales, . ½ of 1 per cent
Bone, manufacturers of, wholly or in part, if not otherwise specified, ... 5 per cent
Bone dust . . . . . No tax
Bonnets . . . . . 5 per cent
Books . . . . . 5 per cent
Bootmaker, making articles to order as custom work, and not for sale generally, shall to the amount of $600 be exempt from duty, and for any excess beyond the amount of $600 . . 3 per cent
Boots, ready made . . . . . 5 per cent
Bowling alleys, license for each alley . . . $10
Brandy distilled from grapes, tax per gallon . . . 25 cents
Brandy. See "Spirits."
Brass . . . . . 3 per cent
rolled, in rods or sheets . . . . 3 per cent
and, when no duty has been paid on ingots, pigs, or bars . 5 per cent
Bread . . . . . No tax
Breadstuffs . . . . . No tax
Brewers, license tax $50
those manufacturing less than 500 barrels per year . $25
Bricks, manufactures of, not otherwise provided for . . 5 per cent
Bridges, toll, on gross receipts . . . . . 3 per cent
Bristles, manufactures of, not otherwise provided for . . 5 per cent
Brokers, upon all sales of merchandise, produce, or other goods, ½ of 1 per cent
upon all sales and contracts for sales of stocks, bonds, gold and silver bullion and coin, foreign exchange, promissory notes or other securities . . 1-20th of 1 per cent
Brokers, license tax $50
pawn, using capital not exceeding $50,000, license tax . $50
do., using capital in excess of $50,000, for every additional $1,000 in excess of $50,000, . . . $2

Builders' license tax, when contracts do not exceed $25,000; and are over $2,500	$25
when contracts in any one year exceed $25,000, on every additional $1,000 in excess of $25,000	$1
whose contracts do not exceed $2,500 in any one year	Exempt
Bullion in lump, ingot, bar or otherwise, to be paid by the assayer, and stamped	¼ of 1 per cent
used in the manufacture of silver ware, silver bullion rolled or prepared for plated use exclusively	No tax
Butchers, license tax	$10
whose annual sales do not exceed $1,000, and butchers who retail butchers' meat exclusively, by themselves or agents, and persons who sell shell or other fish, or both, travelling from place to place, and not from any shop or stand, license tax	$5
Burning fluid	No tax
Butter	No tax
Calves exceeding three months old, slaughtered, each	40 cents
under three months old, each	5 cents
Calfskins, tanned	5 per cent
patent	5 per cent
Canals, on gross receipts	2½ per cent
when the water is used for mining purposes, on gross receipts	2½ per cent
Canal companies, interest on bonds, coupons, dividends, or profits carried to the account of any fund	5 per cent
navigation companies, on interest, coupons, dividends, or profits, carried to the account of any fund	5 per cent
Candles, of whatever material made	5 per cent
Candy sugar. See "Sugar Candy."	
Caps	5 per cent
Cards, printed	5 per cent
Carriages, &c., valued at $50 and not exceeding $100, including the harness, annual tax	$1
valued at above $100 and not above $200, annual tax	$2
exceeding in value $200 and not exceeding $300, annual tax	$3
exceeding $300 and not exceeding $500, annual tax	$6
exceeding $500, annual tax	$10
Cassia, ground, and all immitation of, per pound	1 cent
Castile soap. See "soap."	
Cattle brokers, whose annual sales do not exceed $10,000	$10
whose annual sales exceed $10,000, for each additional $1,000	$1
Cattle, slaughtered, over three months old, except when slaughtered for their hides and tallow exclusively, each	40 cents
under three months old, each	5 cents
slaughtered by any person for his own consumption, not exceeding five in number	No tax
Cavendish tobacco, per pound	35 cents
Certificate of stock in any incorporated company, twenty-five cent stamp required	25 cents
of profits, or any certificate or memorandum showing an interest in the property or accumulations of any incorporated company, if for a sum not less than ten dollars and not exceeding fifty dollars, ten cent stamp	10 cents
exceeding fifty dollars and not exceeding one thousand dollars, twenty-five cent stamp	25 cents

Certificate exceeding one thousand dollars, for every additional one thousand dollars, or fractional part thereof, twenty-five cent stamp . . . . . 25 cents
any certificate of damage, or otherwise, and all other certificates, or documents issued by any port warden, marine surveyor, or other person acting as such, twenty-five cent stamp . . . . . 25 cents
of deposit of any sum of money in any bank or trust company, or with any banker or person acting as such:
if for a sum not exceeding one hundred dollars, two cent stamp . . . . . 2 cents
for a sum exceeding one hundred dollars, five cent stamp 5 cents
of any other description than those specified, five cent stamp . . . . . 5 cents
Cement, made wholly or in part of glue, to be sold in a liquid state per gallon . . . . . 40 cents
Chairs, timber for, partially wrought and unfinished . . No tax
Charcoal . . . . . No tax
Charter party.—Contract or agreement, for the charter of any ship or vessel, or steamer, or any letter, memorandum, or other writing, between the captain, master, or owner, or person acting as agent of any ship or vessel, or steamer, and any other person or persons for or relating to the charter of such ship or vessel, or steamer, or any renewal or transfer thereof, if the registered tonnage of such ship or vessel, or steamer, does not exceed one hundred and fifty tons, one dollar stamp is required . . $1
if the registered tonnage exceeds one hundred and fifty tons, & does not exceed three hundred tons, three dollars . $3
if the registered tonnage exceeds three hundred tons, and does not exceed six hundred tons, five dollar stamp . $5
exceeding six hundred tons, ten dollar stamp . . $10
Cheroots. See "Cigars." Check. See "Bank Check."
Chemical productions, all uncompounded, not otherwise provided for 5 per cent
Cheese . . . . . No tax
Chocolate, prepared, per pound . . . . . 1¼ cent
Cigars.—Cigarettes made of tobacco inclosed in a paper wrapper, valued at not over $5 per 100 packages, each containing not more than 25 cigarettes, per 100 packages . $1
Cigarettes made of tobacco inclosed in a paper wrapper, valued at over $5 per 100 packages, shall be subject to the same duties as cigars of like value.
made wholly of tobacco, and also on those known as cheroots, or short sixes, valued in each case at not over $5 per 1.000, per 1,000 . . . . . $3
valued at over $5 and not over $15 per 1,000, per 1,000 . $8
valued at over $15 and not over $30 per 1,000, per 1,000 . $15
valued at over $30 and not over $45 per 1,000, per 1,000 . $25
valued at over $45 per 1,000, per 1,000 . . $40
Circulars, printed . . . . . 5 per cent
Circuses, on gross receipts . . . . 2 per cent
license tax $100
Cistern bottoms. See "Molasses," per pound . . 1¼ cent
Civil Engineers, license tax $10
Claim Agents, license tax $10
Clocks, tax on value of . . . . . 5 per cent
movements, sold without being cased . . . 5 per cent

Cloth, and all textile or knitted, or felted fabrics of cotton, wool, or other materials, before the same has been dyed, printed, or bleached, and on all cloth painted, enamelled, shirred, tarred, varnished, or oiled . . . . . 5 per cent

or fabrics, when made of thread, yarn, or warps, upon which a duty shall have been assessed and paid, shall be assessed and pay a duty on the increased value only.

Clothing, or articles of dress, made to order—on excess over $600 . 3 per cent

ready made . . . . . 5 per cent

Cloths.—On all cloths of silk, cotton, or other material, dyed, printed, or bleached, on which a duty or tax shall have been paid before the same were so dyed, printed, or bleached, the duty of 5 per centum shall be assessed only on the increased value thereof.

Cloves, ground, and all imitations of, per pound . . 1 cent

Clove stems, ground, and all imitations, per pound . . 1 cent

Coal, all mineral, except pea coal, or dust coal, per ton . . 5 cents

gas. See "Gas."

tars produced in the manufacture of gas . . . No tax

oil, produced by the distillation of coal, asphaltum or shale, exclusively, refined, per gallon . . . 15 cents

illuminating oil, refined, produced by the distillation of coal, asphaltum, shale, peat, petroleum, or rock oil, and all other bituminous substances used for like purposes, per gallon . 20 cents

oil distillers, license tax $50

Cocoa, prepared, per pound . . . . 1½ cent

Coffee, ground, per pound . . . . 1 cent

all preparations of which coffee forms a part, and in all ground or unground substitutes for coffee, per pound . . 1 cent

Coke . . . . . No tax

Commercial brokers, license tax $20

Concert halls, license tax $100

Concentrated milk . . . . No tax

Confectioners, license tax $10

whose gross annual sales do not exceed $1000 . No tax

Confectionery, made wholly or in part of sugar, same as "Sugar Candy."

Contractors, license tax, when contracts do not exceed $25,000, but are over $2,500 . . . . $25

whose contracts in any one year exceed $25,000, for each additional $1,000 in excess of $25,000 . $1

Contract.—Broker's note, or memorandum of sale of any goods or merchandise, stocks, bonds, exchange, notes of hand, real estate, or property of any kind or description, issued by brokers, or persons acting as such, for each note or memorandum of sale, ten cent stamp required . . . . . 10 cents

Conveyancers, license of $10

Conveyance.—Deed, instrument, or writing, whereby any lands, tenements, or other realty sold, shall be granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his, her, or their direction, when the consideration or value does not exceed five hundred dollars, fifty cent stamp . . . 50 cents

when the consideration exceeds five hundred dollars, and does not exceed one thousand dollars, one dollar stamp $1

and for every additional five hundred dollars, or frac-

tional part thereof, in excess of one thousand dollars, fifty cent stamp	50 cents
Copper, rolled, tax on valuation	3 per cent
ingots, pigs, or bars	3 per cent
when duty has not been paid on ingots, bars, or pigs .	5 per cent
manufactures of, not otherwise provided for . .	5 per cent
Cotton, manufactures of, wholly or in part, not otherwise provided for	5 per cent
fabrics, woven, knit, or felted, before dyed, printed, bleached, or prepared in any other manner . . .	5 per cent
umbrellas, and parasols	5 per cent
raw, per pound	2 cents
Coupons	5 per cent
Custom House brokers, license tax	$10
Daguerreotypes, or any other sun picture, being copies of engravings or works of art, or used for the illustration of books, and on photographs so small in size that a stamp cannot be affixed	5 per cent
Dentists, license tax	$10
Deer Skins. See "Skins."	
Diamonds, tax on value sold	10 per cent
Provided, That when diamonds, emeralds, precious stones, or imitations thereof, imported from foreign countries, or upon which import duties have been paid, shall be set or reset in gold or any other material, the duty shall be assessed and paid upon the value only of the settings.	
Distillers, license tax	$50 00
if making less than 300 barrels per year, license .	$25 00
of apples, grapes, and peaches, making less than 150 barrels per year, license	$12 50
Distilled spirits. See "Spirits."	
Distilled spirits.—The duty on spirituous liquors and all other spirituous beverages enumerated in the Tax Bill, is to be collected at no lower rate than the basis of first proof, and shall be increased in proportion for any greater strength than the strength of proof.	
The term first proof is declared to mean that proof of a liquor which corresponds to 50 degrees of Tralles' centisimal hydrometer, at the temperature of 60 degrees of Fahrenheit's thermometer; and on levying duties on liquors above and below proof, the table contained in the Manuel for inspectors of spirits, prepared by Professor McCulloch, under the superintendence of Professor Bache, and adopted by the Treasury Department, is to be used, and taken as giving the proportions of absolute alcohol in the liquid guaged and proved, according to which duties shall be levied.	
Dividends, annual income from, when exceeding $600 and not exceeding $5,000, on the excess over $600 . .	5 per cent
on the excess over $5,000 and not exceeding $10,000 .	7½ per cent
on the excess over $10,000 . . .	10 per cent
of banks, trust companies, savings institutions, fire, marine, life, and inland insurance companies, and dividends generally	5 per cent
Dog skins, dressed in the rough, tax on value of . .	5 per cent

Draining tiles, and earthen, and stone water pipes, tax on value of . 3 per cent
Dressmakers making articles to order, as custom work, and not for sale generally, shall, to the amount of $600, be exempt from duty, and for any excess beyond $600 . . 3 per cent

Earthen water pipes, drain tiles, &c., tax on value of . . 3 per cent
Eating houses, license tax $10
when the gross annual sales do not exceed $1,000 . No tax
Emeralds. See "Diamonds." . . . . 10 per cent
Enamelled leather. See "Leather."
Engines, locomotive and marine . . . . 3 per cent
Engravers, productions of . . . . . 5 per cent
Entry of any goods, wares or merchandise, at any custom-house, either for consumption or warehousing, not exceeding $100 in value, twenty-five cent stamp required . . 25 cents
exceeding $100 and not exceeding $500 in value, fifty cent stamp 50 cents
exceeding $500 in value, one dollar . . . $1
for the withdrawal of any goods or merchandise from bonded warehouse, fifty cent stamp . . . 50 cents
Erasive soap. See "Soap."
Essential oils of all descriptions, tax on value of . . 5 per cent
Exhibitions, not otherwise provided for, license tax . . $10
Express companies, on gross receipts . . . . 3 per cent

Felted fabrics . . . . . 5 per cent
Felloes, timber for, partially wrought and unfinished . . No tax
Ferry boats, on gross receipts . . . . 3 per cent
Fine Cut Tobacco. See "Tobacco."
Fire insurance companies, on dividends . . . 5 per cent
Fish, preserved, tax on value of . . . . 5 per cent
Flax, manufactures of, not otherwise provided for . . 5 per cent
prepared for textile or felting purposes, is not to be considered a manufacture until actually woven or felted into fabric for consumption.
Flour . . . . . No tax
Fork handles, timber for, partially wrought and unfinished . No tax
Freestone. See "Stone."
Friction matches, or lucifer matches, or other articles made in part of wood, and used for like purposes, in parcels or packages containing one hundred matches or less, for each parcel or package, one cent . . . 1 cents
when in parcels or packages containing more than one hundred and not more than two hundred matches, for each parcel or package, two cents . . . 2 cents
and for every additional one hundred matches, or fraction-part thereof, one cent . . . . 1 cent
for all cigar lights and wax tapers, double the rate herein imposed upon friction or luciler matches: *Provided*, That the stamp duties herein provided for on friction or lucifer matches made in part of wood, or cigar lights or wax tapers, shall not be imposed until the 1st day of September, eighteen hundred and sixty-four; but, until that time, the tax shall be assessed and collected as heretofore, and on and after said first day of September, every package or parcel sold by any person, firm, company, or corporation, shall be stamped as herein required.
Fruits, preserved . . . . . 5 per cent
Furniture, made of wood, sold in the rough or unfinished. . 5 per cent

Furniture, made of wood, on which a duty has been paid, when sold in a finished condition, shall pay a duty only on the increased value of . . . . 5 per cent
Furs of all descriptions, made up or manufactured . . 5 per cent
manufactured, on which a duty has been paid before manufactured, shall be assessed only on the increased value when so manufactured.

Gains, annual. See "Income."
Gas, when the product shall not be above 200,000 cubic feet, per month, per 1,000 cubic feet . . . . 10 cents
when the product shall be above 200,000 and not exceeding 500,000 cubic feet per month, per 1,000 cubic feet . 15 cents
when the product shall be above 500,000 and not exceeding 5,000,000 of cubic feet per month, per 1,000 cubic feet . 20 cents
when the product shall be above 5,000,000, per 1,000 cubic feet 25 cents
all illuminating, same as "Coal Gas."
Gas fitters, license of $10
Gasoline. See "Naptha." . . . . 5 per cent
Gaugers' returns, if for a quantity not exceeding 500 gallons gross, ten cent stamp required . . . . 10 cents
exceeding 500 gallons gross, twenty-five cent stamp required 25 cents
Gelatine of all descriptions, in solid state, per pound . . 1 cent
Gift enterprises, license tax $50
Ginger, ground, and all imitations of, per pound . . 1 cent
Glass, manufactures of, not otherwise provided for . . 5 per cent
Gloves, mittens, &c., tax on the value . . . 5 per cent
Glue, in a liquid form, per gallon . . . . 40 cents
in a solid state, per pound . . . . 1 cent
Goat skins, tax on the value of . . . . 5 per cent
Gold leaf, per pack containing not more than 20 books of 25 leaves 18 cents
foil, per ounce troy $2
watches, composed wholly or in part of gold or gilt, kept for use, valued at $100, or less, each . . . $1
valued at over $100, each $2
manufactures of, not otherwise provided for . . 5 per cent
Goods made for the use or consumption of maker . . No tax
Gunpowder, and all explosive substances used for mining, artillery, or sporting purposes, when valued at 28 cents per pound, or less, per pound . . . 1 cent
when valued above 28 cents per pound, and not exceeding 38 cents per pound, per pound . . 1½ cent
when valued above 38 cents per pound, per pound . 8 cents
Gutta percha, manufactures of . . . . 5 per cent
Gypsum . . . . . No tax
Harness leather. See "Leather."
Hats, tax on the value of . . . . . 5 per cent
Hemp, manufactures of, not otherwise provided for . . 5 per cent
Headings . . . . . No tax
Hogs, slaughtered, each . . . . . 10 cents
Hog skins, tanned or dressed . . . . 5 per cent
Hollow ware, iron, per ton of 2,000 pounds . . . $3
Hoop iron. See "Iron."
Hoops . . . . . No tax
Hoop skirts, material for the manufacture of, exclusively . . No tax
Horned cattle, slaughtered. See "Cattle."
Horn, manufactures of, not otherwise provided for . . 5 per cent
Horse skins, tanned and dressed . . . . 5 per cent

Horse Dealers, license tax $10
Horse Shoes, per ton. See "Iron."
Hotels, where the rent or the valuation of the yearly rental shall be $200 or less $10
where the rent or the valuation of the yearly rental shall be in exceess of $200, for each additional $100 or fractional part thereof, in excess of $200 . . . $5
Hubs, timber for, partially wrought and unfinished . . No tax
Hulls, as launched, of ships, barks, brigs, schooners, sloops, sailboats, steamboats, canal boats, and all other vessels or water craft, not including engines or rigging, hereafter built or finished . 2 per cent

Illuminating Oil, coal. See "Oil."
Income, annual, of every person residing in the United States, or of any citizen of the United States residing abroad, when exceeding $600 and not exceeding $5,000, on the excess above $600 . . . . . 5 per cent
do., on excess over $5,000 and not exceeding $10,000 . 7½ per cent
do., on excess over $10,000, ... 10 per cent
interest on United States securities is to be included in estimating incomes, and taxed at same rate as other income.
So, also, the interest on all mortgages, bonds, notes, &c., (over and above the interest paid out upon mortgages, bonds, notes, &c.,) whether due or paid or not, if good and collectable, shall be included.
Only one deduction of $600 shall be made from the incomes of all the members of any family, *except* where it is derived from the separate estate, &c., of the wife or child.
The net profits realized by sales of real estate purchased within the year shall be chargeable as income, and the losses on sales of real estate so purchased shall be deducted from the income for the year.
In estimating income, all national, state, and municipal taxes lawfully paid during the year (except national income tax) shall be deducted from the income for the year.
Also, the salary or pay received in the civil, military or naval service of the U. S. shall be deducted. (See salary).
Also, the income derived from dividends on shares of the stock of any corporation or company, and the interest on any bonds or other evidence of debt of any such corporation or company which shall have been assessed and taxed on same, paid by the said company, shall be deducted.
Also, rent of residence actually paid shall be deducted.
Also, all payments of interest on mortgages, notes, &c., shall be deducted.
And further, in estimating deductions from income, when any person rents buildings, lands, or other property, or hires labor to carry on land, or to conduct any other business from which such income is actually derived, or pays interest upon any actual incumbrance thereon, the amount actually paid for such rent, labor, or interest, shall be deducted; and, also, the amount paid out for usual or ordinary repairs, not exceeding the average paid out for such purposes for the preceding five years, shall be deducted, but no deduction shall be made for any amount paid out for new buildings, permanent improvements, or betterments, made to increase the value of any property or estate.

India Rubber, manufactures of, not otherwise provided for . 5 per cent
Insurance Companies on all dividends . . . 5 per cent
do., on gross receipts of premiums and assessments . 1½ per cent
do., foreign, same . . . 1½ per cent
Insurance (Life).—Policy of insurance, or other instrument, by whatever name the same shall be called, whereby any insurance shall be made upon any life or lives—
When the amount insured shall not exceed one thousand dollars, twenty-five cent stamp is required . . 25 cents
Exceeding one thousand dollars and not exceeding five thousand dollars, fifty cent stamp is required . . 50 cents
Exceeding five thousand dollars, one dollar stamp . . $1
Insurance (Marine, Inland, and Fire).—Each policy of insurance or other instrument, by whatever name the same shall be called, by which insurance shall be made or renewed upon property of any description, whether against perils by the sea or by fire, or other peril of any kind, made by any insurance company, or its agents, or by any other company or person, the premium upon which does not exceed ten dollars, ten cent stamp . 10 cents
Exceeding ten and not exceeding fifty dollars, twenty-five cent stamp . . . . . 25 cents
Exceeding fifty dollars, fifty cent stamp . . . 50 cents
Insurance Agents, license tax $10
do., foreign, license tax $50
Intelligence Office Keepers, license tax . . . $10
Interest on bonds and dividends of canal Companies . . 5 per cent
Iron, cast, used for bridges, or other permanent structures, per ton . $3
railroad, per ton $3
railroad, re-rolled, per ton $2
blooms, slabs, or loops, when made in forges or bloomeries, directly from the ore, per ton . . . $3
advanced beyond slabs, blooms, or loops, and not advanced beyond bars, per ton $3
band, hoop and sheet, not thinner than No. 18 wire gauge, per ton $3
plate, not less than ¼ of an inch in thickness, per ton . $3
band, hoop, or sheet, thinner than No. 18 wire gauge, per ton $5
plate, less than ¼ of an inch in thickness, per ton . . $5
nails, cut, and spikes (not including nails, tacks, brads, or finishing nails, usually put up and sold in papers, whether in papers or otherwise, nor horse-shoe nails wrought by machinery), per ton $5
bars, rods, axe poles, bands, hoops, sheets, plates, nails, and spikes, upon which duty has been levied and paid, are only subject to an additional duty of, per ton . . $2
rivets, exceeding ¼ of an inch in diameter, per ton . . $5
nuts and washers, not less than two ounces each in weight, per ton $5
bolts, exceeding 5-16th of an inch in diameter, per ton . $5
rivets, nuts, washers, and bolts, when the duty upon the iron from which said articles shall have been made has been actually paid, only an additional duty of, per ton . $2
stoves, per ton $3
hollow ware, per ton $2
castings of iron exceeding 10 pounds in weight, for each casting, not otherwise provided for, per ton . . $3
castings of iron and iron of all descriptions, advanced beyond

pig-iron, blooms, slabs, or loops, upon which no duty has been assessed or paid in the form of pig-iron, shall be assessed and pay, in addition to the foregoing rates, when so advanced, per ton	$3
when no duty has been assessed or paid thereon in the form of blooms, slabs, or loops, shall pay, in addition to the foregoing rates of iron advanced, per ton	$3
pig, per ton	$2
Iron, manufactures of, not otherwise provided for, tax on the valuation	5 per cent
steam engines, including locomotive and marine engines	3 per cent
Ivory, manufactures of, not otherwise provided for	5 per cent
Jacks, owners of, license tax	$10
Japan, same as "Varnish."	
Jewelry, on the valuation	10 per cent
Jugglers, license tax	$20
Jute, manufactures of, not otherwise provided for, on the valuation	5 per cent
Kid Skins, on the valuation	5 per cent
Knitted fabrics, on the valuation	5 per cent
Lager Beer. See "Malt Liquors."	
Lambs, slaughtered, each,	5 cents
exemption same as with "Sheep."	
Land Warrant Brokers, license tax	$25
Lard oil, per gallon	5 cents
Lasts, timber for, partially wrought and unfinished	No tax
Laths	No tax
Lawyers, license tax	$10
Lead, white, per 100 pounds	35 cents
manufactures of, not otherwise provided for	5 per cent
ingots, pigs or bars	3 per cent
sheet	3 per cent
pipes	3 per cent
Leaf, gold, per package containing not more than 20 books of 25 leaves each	18 cents
Lease, agreement, memorandum, or contract for the hire, use, or rent of any land, tenement, or portion thereof, where the rent or rental value is three hundred dollars per annum or less, fifty cent stamp required	50 cents
Where the rent or rental value exceeds the sum of three hundred dollars per annum, for each additional two hundred dollars, or fractional part thereof in excess of three hundred dollars, fifty cent stamp required	50 cents
Leather, enamelled	5 per cent
oil dressed	5 per cent
patent	5 per cent
Japan	5 per cent
of all descriptions, tanned or partially tanned, in the rough	5 per cent
of all descriptions, curried or finished	5 per cent
all previously assessed in the rough, upon which duties have been actually paid, shall be assessed on the increased value only.	...
manufactures of, not otherwise provided for	5 per cent
upon which a duty has previously been paid, when it shall be manufactured into gloves, mittens, or moccasins, the duty shall only be assessed upon the increased value thereof when so manufactured.	

Legal documents, stamp duty on writ, or other original process; by which any suit is commenced in any court of record, either of law or equity, fifty cent stamp . 50 cents

where the amount claimed in a writ, issued by a court not of record, is one hundred dollars or over, fifty cent stamp . . . . 50 cents

upon every confession of judgement, or cognovit, for one hundred dollars or over, (except in those cases where the tax for the writ of a commencement of suit has been paid,) fifty cent stamp . 50 cents

writs or other process on appeal from justices' courts, or other courts of inferior jurisdiction to a court of record, fifty cent stamp . . 50 cents

warrants of distress, when the amount of rent claimed does not exceed one hundred dollars, twenty-five cent stamp . . . . 25 cents

when the amount claimed exceeds one hundred dollars, fifty cent stamp . . . 50 cents

Provided, That no writ, summons, or other process issued by and returnable to a justice of the peace, except as hereinbefore provided, or by any police or municipal court, having no larger jurisdiction as to the amount of damages it may render than a justice of the peace in the same State, or issued in any criminal or other suits commenced by the United States, or any State, shall be subject to the payment of stamp duties: *And provided, further*, That the stamp duties imposed by the foregoing schedule B on manifests, bills of lading, and passage tickets shall not apply to steamboats or other vessels plying between ports of the United States and ports in British North America.

affidavits in suits or legal proceedings, shall be exempt from stamp duty.

Legacies.—Any person or persons having charge or trust, as administrators, executors, or trustees, of any legacies or distributive shares arising from personal property, of any kind whatsoever, where the whole amount of such personal property aforesaid shall exceed the sum of $1,000 in actual value, passing after the passage of this act, from any person possessed of such property, either by will, or by the intestate laws of any State or Territory, or any personal property, or interest thereon, transferred by deed, grant, bargain, sale, or gift, made, or intended to take effect in possession or enjoyment after the death of the grantor or barginor, to any person or persons, or to any body or bodies, politic or corporate, in trust or otherwise, are subject to the following taxes:—Where the person or persons entitled to any beneficial interest in such property shall be the lineal issue, or lineal ancestor, brother or sister to the person who died possessed of such property, for each and every $100 of the clear value of such interest in such property $1

where the person or persons entitled to any beneficial interest in such property, shall be a descendant of a brother or sister of the person who died possessed of such

property, for each and every $100 of the clear value of such interest $2

where the person or persons entitled to any benificial interest in such property, shall be a brother or sister of the father or mother, or a descendant of a brother or sister of the father or mother of the person who died possessed of such property, for each and every $100 of the clear value of such interest . . $4

where the person or persons entitled to any beneficial interest in such property, shall be a brother or sister of the grandfather or grandmother of the person who died possessed of such property, for each and every $100 of the clear value of such interest . . . $5

where the person or persons entitled to any beneficial interest in such property, shall be in any other degree of collateral consanguinity than is stated above, or shall be a stranger in blood to the person who died possessed as aforesaid, or shall be a body politic or corporate, for each and every $100 of the clear value of such interest $6

passing by will, or by the laws of any State or Territory, to the husband or wife of the person who died possessed of the property . . . . No tax

License fee of $10 shall be required of every person, firm, or corporation engaged in any business, trade, or profession, whatsoever, for which no other license is herein required, whose gross annual receipts therefrom exceed $1,000 per annum. When the annual gross receipts or sales of any apothecaries, confectioners, eating houses, tobacconists, or retail dealers, except retail dealers in spirituous and malt liquors, shall not exceed $1,000, they shall not be required to pay for license.

Lime, on the total valuation . . . . . 3 per cent

Linseed oil, per gallon . . . . . 5 cents

Liquors, malt. See "Malt Liquors."

Lithographers, productions of, on the valuation . . 5 per cent

Livery stable keepers, license tax $10

Lottery ticket dealers, license tax $100

Lotteries, on gross receipts . . . . 5 per cent

Lumber . . . . . No tax

Magazines, on the gross receipts for sales . . . 5 per cent

for all advertisements, on gross receipts . . 3 per cent

Malt . . . . . No tax

Malt liquors, duty, per barrel, containing not more than 31 gallons, fractional parts to pay at a like rate . . $1 25

in bottles, to pay according to the quantity contained therein at the rate of, per barrel of 31 gallons, when the duty has not been previously paid on the liquors contained therein $1 00

Manifest for custom house entry, or clearance of the cargo of any ship, vessel or steamer, for a foreign port:

if the registered tonnage of such ship, vessel, or steamer, does not exceed three hundred tons, one dollar . $1 00

exceeding three hundred tons, and not exceeding six hundred tons, three dollars $3 00

exceeding six hundred tons, five dollars . . $5 00

Manufacturers, license of $10 00

Manufactures, not otherwise provided for, of bone, brass, bristles, copper,

cotton, flax, glass, gold, gutta percha, hemp, horn, India rubber, iron, ivory, jute, lead, leather, paper, pottery, silk, silver, steel, tin, willow wood, wool, worsted, or other materials, a tax on the valuation of . . . . . 5 per cent

Marble. See "Stone."

monumental stones, tax on the value of . . . 5 per cent

Masts, spars, and ship or vessel blocks, a tax on the valuation of . 2 per cent

Match wood, timber for, partially wrought and unfinished . . No tax

Measurers' returns, if for a quantity not exceeding one thousand bushels, ten cent stamp . . . 10 cents

exceeding one thousand bushels, twenty-five cent stamp . . . . . 25 cents

Meats, preserved . . . . . 5 per cent

Meal, made from grain . . . . . No tax

Medicines or preparations.—For and upon every packet, box, bottle, pot, phial, or other enclosure, containing any pills, powders, tinctures, troches, lozenges, sirups, cordials, bitters, annodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters, essences, spirits, oils, or other medicinal preparations or compositions, whatsowherein the person making or preparing the same ever, made and sold, or removed for consumption and sale, by any person or persons whatever, has, or claims to have any private formula or occult secret, or art, for the making or preparing the same, or has, or claims to have, any exclusive right or title to the making or preparing the same, or which are prepared, uttered, vended, or exposed for sale under any letters patent, or held out or recommended to the public by the makers, venders, or proprietors thereof, as proprietary medicines, or as remedies or specifics for any disease, diseases, or affections, whatever, affecting the human or animal body, as follows:—where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall not exceed, at retail price, or value, the sum of twenty-five cents, one cent stamp required . 1 cent

where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of twenty-five cents, and not exceed the retail price or value of fifty cents, two cent stamp . . 2 cents

where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of fifty cents, and shall not exceed the retail price or value of seventy-five cents, three cent stamp . 3 cents

where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of seventy-five cents, and shall not exceed the retail price or value of one dollar, four cent stamp . 4 cents

where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of one dollar, for each and every fifty cents, or fractional part thereof, over and above the one dollar, as before mentioned, an additional two cent stamp . 2 cents

Melado, per pound . . . . . 1½ cent

Melodeons, same as "Pianofortes."

Metal, yellow sheathing, in rods or sheets, on the valuation . 3 per cent

Milliners, making articles to order as custom work, and not for

sale generally, shall, to the amount of $600, be exempt from duty, and for any excess beyond the amount of $600, shall pay a duty of . . . . . 3 per cent

Mineral coal, except pea coal, and dust coal, by which terms is meant coal that can pass through a five-eights and over three-eights inch mesh, per ton . . . 5 cents

Mineral water from springs, for each bottle containing not more than a pint . . . . . ¼ cent
containing more than a pint, and not over a quart . 1 cent
containing over a quart, for each quart or fraction . 1 cent
artificial soda waters, sarsaparilla water, &c., a tax on the valuation of . . . . 5 per cent

Mittens, a tax on the value of . . . . 5 per cent

Moccasins, on the valuation of . . . . 5 per cent

Molasses, produced from the sugar-cane, and not from sorghum or imphee, per gallon . . . . 5 cents
syrup of, or sugar-cane juice, when removed from the plantation, concentrated molasses or molado, and cistren bottoms, of sugar produced from the sugar-cane, and not made from sorghum or imphee, per pound . . 1½ cent

Monumental stones, with or without inscription, on the valuation . 5 per cent

Movements, clock, on the valuation . . . . 5 per cent

Mortgage of lands, estate, or property, real or personal, heritable or movable, whatsoever, where the same shall be made as a security for the payment of any definite and certain sum of money, lent at the time, or previously due, and owing or forborne to be paid, being payable; also any conveyance of any lands, estate, or property, whatsoever, in trust, to be sold, or otherwise converted into money, which shall be intended only as security, and shall be redeemable before the sale or other disposal thereof, either by express stipulation or otherwise; or any personal bond given as security for the payment of any definite or certain sum of money exceeding one hundred dollars, and not exceeding five hundred dollars, fifty cent stamp . 50 cents
exceeding five hundred dollars, and not exceeding one thousand dollars, one dollar stamp . . . $1
and for every additional five hundred dollars, or fractional part thereof, in excess of one thousand dollars, fifty cent stamp . . . . . 50 cents
Provided, That upon each and every assignment or transfer of a mortgage, lease, or policy of insurance, or the renewal or continuance of any agreement, contract, or charter, by letter or otherwise, a stamp duty shall be required and paid, equal to that imposed on the original instrument.

Museums, on gross receipts . . . . 2 per cent

Mustard, ground, per pound . . . . 1 cent
seed oil, per gallon . . . . 5 cents

Nails. See "Iron."

Naptha, produced by the distillation of coal, asphaltum, shale, peat, petroleum or rock oil, and all other bituminous subtances used for like purposes, per gallon . . . 20 cents
of a specific gravity exceeding 80 degrees, according to Baume's hydrometer, and of the kind usually known as gasoline . 5 per cent

Newspapers, on gross receipts for advertisements . . 3 per cent
on gross amount of sales . . . No tax

Nuts, iron. See "Iron."

Oils, all animal, pure or adulterated, if not otherwise provided for, per gallon . . . . . 5 cents
coal, refined and distilled from coal, asphaltum, or shale, exclusively, per gallon . . . . . 15 cents
Oil, coal, illuminating, produced by the distillation of coal, asphaltum, shale, peat, petroleum or rock oil, and all other bituminous substances, per gallon . . . . 20 cents
lard. pure or adulterated, per gallon . . . 5 cents
linseed, pure or adulterated, per gallon, . . . 5 cents
mustard seed, pure or adulterated, per gallon . . 5 cents
all vegetable, per gallon, ... 5 cents
essential, on the valuation . . . . 5 per cent
whale . . . . . No tax
fish . . . . . No tax
Operas, on gross receipts . . . . 2 per cent
Organs, same as Pianofortes.
Oxide of zinc, per 100 pounds . . . . 35 cents

Pails, timber for, partially unwrought and unfinished . . No tax
Paints, dry or ground in oil, or in paste with water, not otherwise provided for, on the valuation . . . 5 per cent
shall not be subject to any additional duty in consequence of being mixed or ground in oil, when the duties upon all the materials so mixed and ground shall have been previously actually paid.
Painters' colors, same as "Paints."
Pamphlets, on the gross sales . . . . 5 per cent
Paper of all descriptions, on the valuation . . . 3 per cent
manufactures of, on the total value sold, or removed for sale . 5 per cent
Parasols of any material, on the total value sold, or removed for sale 5 per cent
Parrafine . . . . . No tax
Passage ticket, by any vessel from a port in the United States to a foreign port, not exceeding thirty-five dollars, fifty cent stamp required . . . . . 50 cents
exceeding thirty-five dollars and not exceeding fifty dollars, one dollar stamp $1
and for every additional fifty dollars, or fractional part thereof, in excess of fifty dollars, one dollar stamp . . $1
Passport, each, issued from the office of the Secretary of State . $5
Pastboard, total valuation . . . . . 3 per cent
Patent leather. See "Leather."
Patent agents, license tax $10
Patent rights dealers, license tax $10
Pawnbrokers, using capital not exceeding $50,000, license tax . $50
using capital exceeding $50,000, for every additional $1,000 in excess of $50,000, license tax . . $2
Pedlars, when travelling with more than two horses or mules, license tax $50
when travelling with two horses or mules, license tax . $25
when travelling with one horse or mule, license tax . $15
when travelling on foot, license tax . . . $10
who sell newspapers, bibles, or religious tracts . . No tax
of jewelry, license tax $50
who sell in original packages, license tax . . $50
who sell shell, or other fish, from handcarts or wheelbarrows exclusively . . . . . No tax

Pepper, ground, and all imitations of, per pound, . .	1 cent
Perfumery—For and upon every packet, box, bottle, pot, phial, or other enclosure, containing any essence, extract, toilet water, cosmetic, hair oil, pomade, hair dressing, hair-restorative, hair-dye, tooth-wash, dentifrice, tooth-paste, aromatic cachous, or any similar articles, by whatsoever name the same heretofore have been, now are, or may hereafter be called, known, or distinguished, used or applied, or to be used or applied as perfumes or applications to the hair, mouth, or skin, made, prepared, and sold or removed for consumption and sale in the United States, where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall not exceed, at the retail price or value, the sum of twenty five cents, one cent stamp . .	1 cent
Where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of twenty five cents, and shall not exceed the retail price or value of fifty cents, two cent stamp .	2 cents
Where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of fifty cents, and shall not exceed the retail price or value of seventy-five cents, three cent stamp	3 cents
Where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of seventy-five cents, and shall not exceed the retail price or value of one dollar, four cent stamp .	4 cents
Where such packet, box, bottle, pot, phial, or other enclosure, with its contents, shall exceed the retail price or value of one dollar, for each and every fifty cents or fractional part thereof over and above the one dollar, as before mentioned, an additional two cent stamp	2 cents
Photographs, ambroytypes, daguerreotypes, or any sun pictures, except as hereinbefore provided, upon each and every picture of which the retail price shall not exceed twenty-five cents, two cent stamp . .	2 cents
Exceeding the retail price of twenty-five cents, and not exceeding the sum of fifty cents, three cent stamp .	3 cents
Exceeding the retail price of fifty cents, and not exceeding one dollar, five cent stamp . .	5 cents
Exceeding the retail price of one dollar, for every additional dollar or fractional part thereof, five cent stamp	5 cents
Photographs, or any other sun picture, being copies of engravings or works of art, or used for the illustration of books, and on photographs so small in size that a stamp cannot be affixed .	5 per cent
Photographers, when the receipts do not exceed $500, license tax .	$10
When the receipts are over $500 and under $1000, license tax	$15
When the receipts are over $1,000, license tax .	$25
Physicians, license tax	$10
Pianofortes, organs, melodeans, or other parlor musical instruments, kept for use, not including those placed in churches or public edifices, valued at not less than $100 nor above $200, each	$2
valued at over $200 and not over $400, each .	$4
valued at over $400, each . . .	$6

Pickles, total valuation	5 per cent
Pig iron, per ton	$2
Pins, solid head, or other, total valuation	5 per cent
Pimento ground, and all imitations of, per pound	1 cent
Plaster	No tax
Plate of gold, kept for use, per ounce troy	50 cents
Plate of silver, kept for use, per ounce troy	5 cents
to the extent of 40 ounces	No tax
Plate belonging to religious societies	No tax
Plate Iron. See "Iron."	
Playing Cards—For and upon every pack of whatever number, when the retail price per pack does not exceed eighteen cents, two cent stamp	2 cents
Exceeding the retail price of eighteen cents, and not exceeding twenty-five cents per pack, four cent stamp	4 cents
Exceeding the retail price of twenty-five, and not exceeding fifty cents per pack, ten cent stamp	10 cents
Exceeding the retail price of fifty cents, and not exceeding one dollar per pack, fifteen cent stamp	15 cents
Exceeding the retail price of one dollar, for every additional fifty cents, or fractional part thereof, in excess of one dollar, five cent stamp	5 cents
Plug Tobacco. See "Tobacco."	
Plumbers, license tax	$10
Porter. See "Malt Liquors."	
Pottery ware, on the valuation	5 per cent
Power of Attorney for the sale or transfer of any stock, bonds, or scrip, or for the collection of any dividends or interest thereon, twenty-five cent stamp	25 cents
or proxy for voting at any election for officers of any incorporated company or society, except religious, charitable, or literary societies, or public cemeteries, ten cent stamp	10 cents
to receive or collect rent, twenty-five cent stamp	25 cents
to sell and convey real estate, or to rent or lease the same, one dollar stamp	$1
for any other purpose, fifty cent stamp	50 cents
Precious stones, and all imitations, on the total valuation	10 per cent
When diamonds, emeralds, precious stones, or imitations thereof, imported from foreign countries, or upon which import duties have been paid, shall be set or reset in gold or any other material, the duty shall be assessed only on the value of the settings.	
Preparations of which coffee forms a part when ground, or which are prepared for sale as a substitute for coffee, per pound	1 cent
Preserved fish, total valuation	5 per cent
fruit, do.	5 per cent
meats, do.	5 per cent
shell fish, do.	5 per cent
vegetables, do.	5 per cent
Printed books, magazines, pamphlets, reviews, and all other similar printed publications, except newspapers, on the gross sales	5 per cent
on all advertisements, on gross receipts	3 per cent
Printed cards and circulars, on the total valuation	5 per cent
Printers ink	No tax

Produce Brokers, whose sales do not exceed $10,000, license tax . $10

Probate of Will, or letters of administration: Where the estate and effects for or in respect of which such probate or letters of administration applied for shall be sworn or declared not to exceed the value of two thousand dollars, one dollar stamp required $1

Exceeding two thousand dollars, for every additional thousand dollars, or fractional part thereof, in excess of two thousand dollars, fifty cent stamp required . . . . . 50 cents

Profits. See "Income."

Protest.—Upon the protest of every note, bill of exchange, acceptance, check, or draft, or any marine protest, whether protested by a notary public or by any other officer who may be authorized by the law of any State or States to make such protest, twenty-five cent stamp required . . . . 25 cents

Quicksilver, produced from the ore, on the valuation . . 2 per cent

Railroads, on gross receipts . . . . . 2½ per cent

on bonds or other evidences of indebtedness upon which interest is stipulated to be paid, on the amount of interest, and on coupons, dividends, or profits carried to the account of any fund . . . 5 per cent

Railroad chairs and railroad iron. See "Iron."

Real estate, succession to, where it shall become subject to a trust for any charitable or public purposes, under any part or future disposition, which, if made in favor of an individual, would confer on him a succession, there shall be payable in respect of such real estate, upon its becoming subject to such trust, upon the amount or principal value of such real estate . . . 6 per cent

Real Estate.—There shall be levied and paid, according to the value thereof, the following duties—

When the succession shall be the lineal issue or lineal ancestor of the predecessor, a duty at the rate of one dollar per centum upon such value . . 1 per cent

Where the successor shall be a brother or sister, or a descendant of a brother or sister of the predecessor, duty at the rate of two dollars per centum on the value . . . . . 2 per cent

Where the successor shall be a brother or sister of the father or mother, or a descendant of a brother or sister of the father or mother of the predecessor, duty at the rate of four dollars per centum on the value . 4 per cent

Where the successor shall be a brother or sister of the grandfather or grandmother, or a descendant of the brother or sister of the grandfather or grandmother of the predecessor, duty at the rate of five dollars per centum on the value . . . . 5 per cent

Where the successor shall be in any other degree of collateral consanguinity to the predecessor, or a stranger in blood, duty at the rate of six dollars per centum on the value . . . . 6 per cent

Real Estate Agents, license tax $10

Receipts for the payment of any sum of money, or for the payment of any debt due, exceeding twenty dollars, not being for the satisfaction of any mortgage or judgment or decree

of any court, and a receipt for the delivery of any property, two cent stamp required . . . 2 cents
Warehouse receipt for property, goods, wares, or merchandise, not otherwise provided for, in any public or private warehouse, when the property or goods so deposited or stored shall not exceed in value five hundred dollars, ten cent stamp . . . . . 10 cents
Exceeding in value five hundred dollars and not exceeding one thousand dollars, twenty cent stamp . . 20 cents
Exceeding in value one thousand dollars, for every additional one thousand dollars, ten cent stamp . . 10 cents
Warehouse receipt for any goods, merchandise, or property of any kind, not otherwise provided for, held on storage in any public or private warehouse or yard, twenty-five cent stamp . . . . . 25 cents
Receipts of express companies, ... 3 per cent
of ferry companies, ... 3 per cent
Repairs of engines, cars, carriages, or other articles, when such repairs increase the value of the article so repaired ten per centum or over, on such increased value . . 3 per cent
on such repairs made upon ships, steamboats, or other vessels, on the increased value . . . 2 per cent
Rectifiers, for license to rectify any quantity of spirituous liquors not exceeding 500 barrels, packages, or casks, containing not more than 40 gallons each . . . $25
for each additional 500 barrels, &c., or any fraction thereof $25
Retail Dealers, license for $10
Retail Dealers in Liquors, license for $25
Retail Dealers whose gross annual sales do not exceed $1000 . Exempt
Rivets. See "Iron."
Roads, toll, on gross receipts . . . . 3 per cent
Roman cement, total valuation . . . . 3 per cent

Sails. See "Awnings."
Salaries, annual income from, when exceeding $600, on the excess over $600 . . . . . 5 per cent
of all persons in employ of the United States, when exceeding $600, on the excess above $600 . . 5 per cent
Sales, auction, of goods, &c., on gross amount of sales . ½ of 1 per cent
of stocks, &c., ... ½ of 1 per cent
by public officers . . . . . Exempt
Saleratus, per pound . . . . . 5 mills
Salt, per 100 pounds . . . . . 6 cents
Sandstone. See "Stone."
Sarsaparilla waters, soda waters, &c., on the valuation . . 5 per cent
Savings Banks, having no capital stock, and whose business is confined to receiving deposits and loaning the same, for the benefit of their depositors, and which do no other business of banking, shall not be liable to pay for a license as a banker, and are excepted from the tax on deposits and capital stock indicated under head of "Banks," . . . . . No tax
Savings institutions on all dividends . . . . 5 per cent
Screws, called wood screws, on the total valuation . . 10 per cent
Segars. See "Cigars." Shades, same as "Awnings."
Sheathing metal, yellow, on the valuation . . . 3 per cent
Sheep, slaughtered, per head . . . . 5 cents
Sheep, slaughtered, for the pelts, each . . . 2 cents
Sheep, slaughtered, by a person for his own use, when the number of

sheep, calves, or swine does not exceed twenty	No tax
Sheet Iron. See "Iron."	
Shell fish, in cans or air-tight packages, on the valuation	5 per cent
Sheep skins, tanned, curried, or finished, do do	5 per cent
Ships, except when plying between ports of the United States, on gross receipts	2½ per cent
Ship blocks, on the valuation	2 per cent
Shingles	No tax
Shoes, ready made, on the valuation	5 per cent
Shoemakers. See "Bootmakers."	
Shot, on the valuation	3 per cent
Shooks	No tax
Shovel handles, timber for, partially wrought and unfinished	No tax
Silk parasols, on the valuation	5 per cent
umbrellas do do	5 per cent
manufactures of, not otherwise provided for, on the valuation	5 per cent
Silver, manufactures of, when not otherwise provided for, on the valuation	5 per cent
Skins, calf, tanned, or dressed in the rough, on the valuation	5 per cent
patent do do	5 per cent
goat, tanned or dressed in the rough, do do	5 per cent
kid, do do do do	5 per cent
goat, curried or finished, do do	5 per cent
kid, do do do do	5 per cent
sheep, tanned or dressed in the rough, do do	5 per cent
dog, do do do do	5 per cent
sheep, tanned, curried or finished, do do	5 per cent
deer, dressed or smoked, do do	5 per cent
hog, tanned or dressed, do do	5 per cent
horse, do do do do	5 per cent
all goat, calf, kid, sheep, horse, dog, and hog skins, previously assessed in the rough, and upon which duties have been actually paid, shall be assessed on the increased value only, when curried or finished.	
upon which a duty has previously been assessed and paid, when manufactured into gloves, mittens, or moccasins, the duty shall only be assessed upon the increased value thereof, when so manufactured.	
Skirts, hoop, the material for the manufacture of, exclusively	No tax
Slackwater Companies, same as "Canal Companies."	
Slate, when dressed, hewn, or finished,	3 per cent
Slaughtered cattle, &c. See "Cattle," "Hogs," "Sheep."	
Smoking tobacco. See "Tobacco."	
Snaths, timber for, partially wrought, and unfinished	No tax
Snuff, manufactured of tobacco, or any substitute for tobacco, ground, dry or damp, pickled, scented or otherwise, of all descriptions, per pound	35 cents
Snuff-flour, same as Snuff.	
Soap, castile, valued at not above 5 cents per pound, per pound	2 mills
valued at above 5 cents per pound, per pound	1 cent
cream, per pound	5 cents
erasive, valued at not above 5 cents per pound, per pound	2 mills
valued at above 5 cents per pound, per pound	1 cent
fancy, per pound	5 cents
honey, per pound	5 cents
palm oil, valued at not above 5 cents per pound, per pound	2 mills
valued at above 5 cents per pound, per pound	1 cent
scented, per pound	5 cents

Soap, shaving, per pound	5 cents
toilet, of all descriptions, per pound	5 cents
transparent, per pound	5 cents
of all other descriptions, white or colored, except soft soap, and soap otherwise provided for, valued at not above 5 cents per pound, per pound	2 mills
valued at above 5 cents per pound, per pound	1 cent
soft, on the valuation	5 per cent
Soda waters, &c., on the valuation	5 per cent
Soda, bi-carbonate of, per pound	5 mills
Sole leather. See "Leather."	
Spars and masts, on the valuation, whether made to order or for sale	2 per cent
Spelter and brass, on the valuation	3 per cent
Spikes. See "Iron."	
Spirits, distilled and sold, or distilled and removed for consumption or sale, of first proof, on and after July 1, 1864, and prior to February 1, 1865, per gallon	$1 50
on and after February 1, 1865, per gallon	$2 00
Spirits of turpentine, per gallon	20 cents
Spokes, timber for, partially wrought, and unfinished	No tax
Stage coaches, on gross receipts	2½ per cent
Stallions, owners of, license tax	$10
Stamp duties. See Agreement—Bank Check—Bill of Exchange—Bill of Lading—Bill of Sale—Bond—Certificates—Charter Party—Contract—Conveyance—Entry—Gaugers—Insurance—Lease—Manifest—Measurer—Mortgage—Passage-Ticket—Power of Attorney—Probate of Will—Protest—Receipt—Weigher—Legal Document—Medicines—Perfumery—Friction Matches—Photographs—Playing Cards.	
Starch, made of corn, per pound	3 mills
made of potatoes, per pound	2 mills
made of rice, per pound	1 cent
made of wheat, per pound	3 mills
made of any other material, per pound	1 cent
Stoves	No tax
Steam engines, including locomotives and marine engines, on the valuation	3 per cent
Steamboats, on gross receipts	2½ per cent
Steamers and vessels boarding passengers, license tax	$25 00
Steel in ingots, bars, sheets, or wire, not less than ¼ of an inch in thickness, valued at 7 cents per pound, or less, per ton	$5
in ingots, valued above 7 cents and not above 11 cents per pound, per ton	$10
do., valued above 11 cents per pound, per ton	$12 50
manufactures of, when not otherwise provided for, on the valuation	5 per cent
rolled, and sheet, rod, or wire made of steel, upon which a duty has been assessed and paid, shall be assessed and pay upon the increased value thereof	5 per cent
Stereotypers, productions of, on the valuation	5 per cent
Stone water pipes, on the valuation	3 per cent
Stone, building of any description, when dressed, hewn, or finished	3 per cent
in block, rough and unwrought	No tax
Stoves, per ton of 2,000 pounds	$3
Succession to real estate. See "Real Estate."	
Sugar refiners, on the gross amount of the sales of all the products of their manufactories	2½ per cent

Sugar, brown, or Muscavado, not above No. 12, Dutch Standard, in color, produced directly from the sugar cane, and not from sorghum or imphee, other than that produced by the refiner, per pound	2 cents
all clarified or refined, above No. 12, and not above No. 18, Dutch Standard, produced directly from the sugar cane, and not from sorghum or imphee, per pound	2¼ cents
above No. 18, per pound	3¼ cents
Sugar. See "Molasses."	
Sugar candy, made wholly or in part of sugar, valued at 20 cents per pound or less, per pound	2 cents
valued at exceeding 20 cents, and not exceeding 40 cents per pound, per pound	4 cents
valued at exceeding 40 cents per pound, or when sold otherwise than by the pound	10 per cent
Sulphate of Barytes, per 100 pounds	12 cents
Surgeons, license tax	$10
Swine, slaughtered, each	10 cents
Tailors, same as "Milliners."	
Tarred paper, for roofing, &c.	3 per cent
Tar coal, produced in the manufactures of gas	No tax
Telegraphic companies, on gross receipts	5 per cent
Tents, same as "Awnings."	
Theatres, on gross receipts	2 per cent
Theatres, license tax	$100
Ticket. "See passage ticket."	
Thread	5 per cent
Timber	No tax
Time-pieces, same as "Clocks."	
Tin, manufactures of, if not otherwise provided for	5 per cent
Tobacco, cavendish, per pound	35 cents
smoking, manufactured with all the stems in, the leaf not having been butted or stripped from the stem, and on refuse tobacco, known as fine cut shorts, per pound	25 cents
smoking, made exclusively of stems, and not mixed with leaf, or leaf and stems, per pound	15 cents
fine cut chewing, whether manufactured with the stem in or not, and however sold, whether loose, in bulk or in package, papers, wrappers, or boxes, per pound	35 cents
manufactured of all kinds, not otherwise provided for, from which the stem has been taken in whole or in part, or which is sweetened, per pound	35 cents
plug, same as "Cavendish tobacco."	
twist, same as "Cavendish."	
Tobacconists, license tax	$10
when gross annual sales do not exceed $1,000	No tax
Trust companies, on dividends	5 per cent
Tubs, timber for, partially wrought, and unfinished	No tax
Turnpike companies, on interest, coupons, dividends, or profits carried to the account of any fund	5 per cent
Turpentine, spirits of, per gallon	20 cents
Umbrella stretchers, timber for, partially wrought, and unfinished	No tax
Umbrellas of any material, on the valuation	5 per cent
Varnish, made wholly or in part of gum copal, or of other gums or substances, on the valuation	5 per cent
Vegetables, preserved, on the valuation	5 per cent

Vegetable oils, per gallon	5 cents
Vessel blocks, on the valuation	2 per cent
Warp for weaving, on the valuation	5 per cent
Warehouse receipts. See "Receipts."	
Watches, gold, valued at $100 or less	$1
valued at over $100	$2
Water cement, on the valuation	3 per cent
Water pipes, earthen or stone, on the valuation	3 per cent
Weighers' returns, if for a weight not exceeding five thousand pounds, ten cent stamp	10 cents
exceeding five thousand pounds, twenty-five cent stamp	25 cents
Whale oil	No tax
Whiskey. See "Spirits."	
White lead, per 100 pounds	35 cents
Wholesale dealers, whose sales do not exceed $50,000, license tax	$50
exceeding $50,000, for every additional $1,000 in excess of $50,000	$1
in liquors, whose sales do not exceed $50,000, license tax	$50
exceeding $50,000, for every additional $1,000 in excess of $50,000	$1
Will. See "Probate of Will."	
Willow, manufacture of, on the total valuation	5 per cent
Wine made of grapes, per gallon	5 cents
Wines, or liquors denominated as wines, not made from currants, rhubarb, or berries, produced by being rectified or mixed with other spirits, or with which any matter whatever may be infused, to be sold as wine, or by any other name, and not otherwise provided for, per gallon	50 cents
Wood, manufactures of, not otherwise provided for, on the valuation	5 per cent
Wood screws, on the valuation	10 per cent
Wool fabrics, woven, knit, or felted, before being dyed, printed, bleached, or prepared in any other manner, on the valuation	5 per cent
manufactures of, not otherwise provided for, on the valuation	5 per cent
Worsteds, manufactures of, not otherwise provided for, on the valuation	5 per cent
Yachts, pleasure, or racing boats, propelled by sail or steam, measuring, by Custom House measurement, ten tons, or less, each	$5
exceeding ten and not exceeding twenty tons, each	$10
exceeding twenty and not exceeding forty tons, each	$25
exceeding forty and not exceeding eighty tons each	$50
exceeding eighty and not exceeding one hundred and ten tons, each	$75
exceeding one hundred and ten tons, each	$100
Yarn, on the valuation	5 per cent
Yellow sheathing metal, on the valuation	3 per cent
when the duty has not been paid on ingots, pigs, or bars, on the valuation	5 per cent
Zinc, manufactures of, not otherwise provided for, on the valuation	5 per cent
oxide of, per 100 pound	35 cents

COMMERCIAL CHRONICLE AND REVIEW.

THE NATIONAL DEBT—AMOUNT OF CURRENCY AND ITS INCREASE—COMPOUND INTEREST NOTES—CONVERSION OF THE 7-30'S—SALES OF 5-20'S ABROAD—RISE IN PRICES AND THE EFFECT—EFFECT OF THE RISE ON THE MARKET AND ON CONSUMPTION—THE SPECIE MOVEMENT—GOLD INTEREST DUE NOVEMBER 1, AND BEFORE THAT TIME, TO BE PAID AT ONCE, AND AMOUNT OF SAME—EXCHANGE, PRICE OF SAME—U. S. STOCKS.

THERE has been a monotonous condition of the market during the month. With an increasing ease in the money market, no marked change has taken place in the state of affairs. The loan put out by the new Secretary of the Treasury in 7-30 three year bonds, paper interest, has sold slowly, not in sufficient amount to meet any considerable proportion of the Federal expenses, and arrears have largely accumulated.

The aggregate debt, according to the weekly reports, compares as follows:

	Debt Paying Interest—In Coin.	Debt Paying Interest—In Currency.	Debt: interest ceased.	Debt bearing no interest.	Total amount.
July 5,	$864,967,138	$398,679,647	$370,170	$532,950,185	$1,792,867,040
" 12,	864,109,820	400,350,010	370,170	550,223,669	1,795,033,669
" 19,	864,698,842	402,151,049	370,170	509,053,306	1,796,208,367
" 26,	865,867,842	404,555,820	370,170	516,732,032	1,805,523,864
Aug. 2,	864,127,792	411,413,162	367,170	531,564,026	1,827,492,170
" 9,	864,664,192	424,841,662	367,170	522,806,911	1,832,649,835
" 16,	865,368,182	435,010,141	367,170	529,848,222	1,849,714,555

The increase in the aggregate is large, but, in addition to this increase, there are arrears running for army pay, which are adjusted every sixty days, and will add on the 1st of September about $50,000,000 to the amount of debt. Of the position of the debt, which compares the circulation, the increase has been as follows:

	July 12.	July 19.	July 26.
United States Notes.....	$431,059,470	$429,487,303	$431,165,895
Five per cent 1 year notes...	44,520,000	44,520,000	44,520,000
Five per cent 2 year notes...	16,480,000	16,480,000	16,480,000
Five per cent 2 year notes, with coupons.....	85,503,350	84,584,350	82,360,103
Fractional currency.....	22,710,608	23,009,588	23,423,070
Compound interest notes.....	15,000,000	15,820,000	24,420,000
Total.....	$615,455,559	$616,403,212	$627,369,068

	Aug. 2.	Aug. 9.	Aug. 16.
United States Notes.....	$433,166,553	$433,160,553	$433,160,569
Five per cent 1 year notes....	44,520,000	44,520,000	44,520,000
Five per cent 2 year notes....	16,480,000	16,480,000	16,480,000
Five per cent 2 year notes, with coupons	80,933,602	80,933,602	99,377,502
Fractional currency.....	23,414,420	23,646,594	24,017,842
Compound interest notes.....	33,553,760	38,400,000	41,360,000
Total.....	$631,398,365	$637,040,765	658,855,913

These figures give the character of the increase of the currency. It is made up of $4,000,000 greenbacks, paid out in discharge of the temporary loan, withdrawn from the Treasury by the Banks in consequence of the high rate of inter-

est, and compound interest notes, which have been emitted to the extent of $20,000,000. These notes are payable in three years, and have the interest six per cent, compounded half yearly, to be paid at the end of the time. The idea of the emission is, that after a certain period, when the interest shall have accumulated, the notes will be kept for the interest. It does not appear, however, yet, that that expectation is likely to be realized. The one year certificates, of which about $186,000,000 are outstanding, bear six per cent interest, and they sell now at 93a95 cents per dollar rates, which give from 11 to 13 per cent per annum, or more than eighteen months accumulated interest of the compound notes. The amount of each kind of debt outstanding was as follows at the periods stated:

PUBLIC DEBT OF THE UNITED STATES, AUGUST 16, 9, AND JULY 12, 1864.

	July 12.	Aug. 9.	Aug. 16.
Six per cents, 1867–8	$18,323,592	$18,323,592	$18,323,592
Five per cents, 1871–4	27,022,000	27,022,000	27,022,000
Five per cents, 1865	2,103,000	2,052,000	2,052,000
Six per cents, 1881	131,334,477	167,684,000	172,353,500
7-30's, convertible into 1881	99,807,000	82,484,900	77,965,400
5-20's 6 per cents	510,756,900	510,756,900	510,756,900
10-40's, 5 per cents	73,946,850	75,290,800	75,868,800
Oregon, 6 per cents	1,016,000	1,016,000	1,016,000
Total gold-bearing	$864,109,819	$884,634,192	$885,358,192
Deposits at 6 per cent	$74,593,659	$54,062,509	$52,821,639
Treasury certificates, 6 per cents	164,523,060	180,591,000	186,162,000
One year 5 per cents	44,520,000	44,520,000	44,520,000
Two year 5 per cents	16,480,000	16,480,000	16,480,000
Two year coupons 5 per cents	85,543,350	80,933,602	79,577,502
Three year 6 per cents, compound	15,000,000	38,400,000	41,360,000
New 7-30 per cents	.....	9,854,450	14,291,950
Total currency interest	$400,330,010	$424,841,562	$435,010,141
Greenbacks	$431,059,470	$433,160,569	$433,160,569
Fractions	22,710,608	23,546,594	24,017,842
Requisitions	88,567,000	79,723,000	83,492,000
Old debt	.....	367,170	367,170
	$542,337,078	$536,796,333	$541,017,581
Total	$1,806,776,907	1,846,171,087	1,851,387,914

This is the actual amount of paper outstanding. The result differs from the aggregates alone, in that some paper in the Treasury is deducted.

The conversions of the coin 7-30 into 6 of 1881 took place freely as the day of the maturity of the former, August 19, approached. The new 7-30, payable in paper, were sold to some extent, the attraction being their convertibility at maturity, three years hence, into 6 per cent gold stock. The amount of sales, however, did not suffice to pay the 6 per cent deposits withdrawn from the Government, and the Treasury did not benefit by the operation. There were several new propositions on the part of the Treasury for new loans. The demand for the 5-20's in January was strong, at about 40 cents per dollar, and the amounts sent out were considerable. It is estimated that the aggregate amount held in Germany is about $150,000,000, which has realized a very small amount compared with that which is to be returned in principal and interest.

The continued increase in the currency has been accompanied by a further rise in prices. In a former number we gave a table of some sixty articles from the prices current, showing the aggregate average advance of those articles as compared with gold. The following are the aggregates, brought down to the close of July:

	Price of Gold.	Price of 60 articl's
July, 1863	122	1,823
October, 1863	148	1,455
November, 1863	150	1,665
December, 1863	152	1,693
March, 1864	162	1,787
April, 1864	181	1,905
July, 1864	256	2,540

Generally speaking, the main cause of the change in prices is doubtless the fact that, to use an apparent *solecism*, prices do not rise at all. It is the currency that depreciates. This becomes evident when we reflect that, amid all the rise in prices, the articles do not cease to be sent where they are still higher in price. Thus, wheat has been $2 95 per bushel, but has nevertheless been exported this month to Liverpool, where its price is only $1 25 per bushel. The whole export list embraces a great variety of articles apparently much higher in price here than at the places to which they are sent to realize a profit, and also many articles that were imported here to realize profits, but which are now returned whence they came to avoid loss. This is the rule with the markets. There are, nevertheless, exceptions where the price has risen all over the world because the supply has been cut off. This is the case with the raw material for human clothing. There has been withheld from the markets of the world, in the last three years, an accustomed supply of 12,000,000 bales of cotton—equal to 6,720,000,000 pounds, or 26,000,000,000 yards of cloth, or forty yards each for every soul of the human race. It could not be otherwise under such circumstances, that not only cotton, but all the four great raw materials, wool, silk, flax and cotton, should really rise immensely in value as compared with other commodities. The rise stimulated production in remote regions, which have drawn large amounts of coin in payment.

Those materials form the most important diminution in supply which the war has occasioned. It was the experience of former wars that the supply of al products was much diminished, not only by devastation, but principally by the drawing off of men from productive labor to the battle-field. The earth remaining untilled did not bring forth its fruits, and famine resulted. The employment of females in field labor was necessitated by the operation of the conscriptions. It was but a few years since, by no means infrequent, that a female might, in Europe, be seen turning up the earth by means of a coarse linen band passed around her forehead and made fast to the plough behind her, which she thus dragged. The absence of males was thus painfully supplied by the other sex.

At the present time that cause of dearness operates to a far less extent, for the reason that the progress of mechanical invention has been such as almost to supplant manual labor in the most arduous operations of agriculture. A single female may now, without much fatigue, cut eight or ten acres of grass in a day,

a labor that would, a few years since, have required the energies of six able men. To such an extent has machine labor been supplied in every department of farm labor, that the drawing off the male population for the defense of the nation interferes far less with the production of crops than might have been supposed. Indeed, it would not have been possible to have kept one million men in the field the last two or three years, but for the great substitution of machine work. It has been alleged that the possession of blacks has been a great source of strength to the South, by enabling production to go on while the white race were drawn into the army. That is no doubt true, but the machine work of the North has been more efficient, under similar circumstances, in keeping up the supplies of food. The proof is seen in the fact that in this third year of the war, after two and a quarter millions of men have been called to the national defence, we have been able, not only to feed the army and the people, but to export the following amounts of grain:

	Flour, barrels.	Wheat.	Total in bush. Wheat.	Corn.
1864	1,057,147	12,956,543	18,102,278	252,281
1863	1,847,727	20,375,821	20,149,956	8,261,815
1862	2,673,002	25,631,586	39,012,596	12,181,201
Total, three years	5,081,876	58,969,950	84,359,330	20,695,297

This quantity of wheat, exported in three years of war, exceeds the entire wheat crop of the Union in 1840.

It will be borne in mind that this grain has not been drawn from us by exorbitant prices paid abroad, to eke out short crops, but has been sold in competition with their own good crops, at unusually low prices. It is evident that this could not have been done but for the prevalence and efficiency of machine labor, which has also penetrated into most departments of manufacture, increasing the production of all descriptions of wealth, in a larger proportion per head of the population. This process, aided by considerable immigration and the new settled lands, have been the main sources of that great national strength which has so astonished Europe.

This operation of machine labor in all departments, has greatly increased the annual production of wealth, and by so doing has enabled the Government to sustain the incredible war expenses. Nevertheless, even with this great aid, the amount of annual expenditure exceeds the means. The item of $150,000,000 5-20 stock due abroad, and for which less than $50,000,000 was received, will require the annual export of $9,000,000 in gold for twenty years for interest, making $180,000,000. The principal must then be returned, making $280,000,000 for $50,000,000 received. This outlay is the worse in that the money received has not been applied to any reproductive employment. When a railroad like the Illinois Central borrowed $20,000,000 abroad, the money is applied to opening up new land, which settled by immigrants, produces $20,000,000 per annum of produce for export, hence, the debt was early paid. The Government loans are burnt up, and their payment will be an additional weight upon old resources.

The rise in prices of commodities has, impelled by high taxes and greater cost, out-run the power of consumption, and the fall trade has been almost at a

stand. Those articles, such as coffee, sugar, low grade goods, which, from the staple productions of the great mass of the people in moderate circumstances, has reached such high rates, that the decline in consumption is very marked, amounting almost to a stagnation of the fall trade. As a consequence, remittances were moderate, and gold and exchange remained dull. The specie movement was as follows:

SPECIE AND PRICE OF GOLD.

	1863.		1864.			
	Received.	Exported.	Received.	Exported.	Gold in bank.	Prem. on gold.
Jan. 2	.....	651,448	254,239	590,262	25,161,935	51¼ a 52
9	1,277,788	726,746	.....	1,216,204	25,122,002	51¾ a 52
16	.....	1,380,247	279,801	1,985,057	24,884,264	52¼ a 56¼
23	678,841	780,817	365,608	1,000,000	24,631,204	56 a 58
30	.....	1,331,027	324,864	668,747	24,203,682	56¼ a ...
Feb. 6	301,860	1,277,000	.....	662,616	24,070,191	49¼ a ...
13	359,987	1,152,846	363,198	1,219,808	23,521,453	95 a ...
20	.....	520,017	.....	325,632	22,523,918	59 a ...
27	285,394	1,377,016	407,057	531,700	22,301,687	165 a 61
March 5	1,243,551	733,643	512,358	629,803	21,220,653	61¼ a 62
12	.....	3,540,550	.....	465,920	20,750,495	62 a 69
19	249,514	1,201,907	281,804	83,881	21,059,512	62 a 62¼
26	159,105	1,050,156	375,101	273,900	20,425,504	69¼ a 70¼
Apr. 2	250,778	473,385	273,429	168,912	19,527,665	63¾ a 68¼
9	.....	607,059	302,344	345,471	20,924,287	67 a 71
16	217,602	155,437	269,522	1,002,384	21,687,670	71 a 89
23	256,604	629,855	.....	3,226,000	24,868,203	72¼ a 79
30		294,998	282,376	1,271,836	24,087,343	77 a 85
May 7	205,057	451,827	282,276	1,174,241	23,082,028	71 a 81
14		661,996		2,452,668	22,625,155	61¼ a 76¼
12	258,570	488,745	383,428	1,884,195	22,091,691	73 a 85
28	.....	279,994	.....	580,820	21,973,180	87¼ a 92¼
June 4	318,066	411,483	271,801	1,425,588	22,461,604	87 a 90¼
11	.....	285,364	.....	1,543,600	24,041,704	92 a 99¼
18	.....	522,147	291,208	1,886,663	22,916,291	94 a 98¼
25	167,082	134,432	281,011	1,296,356	22,000,898	99 a 130
July 2	.....	347,807	.....	560,677	21,206,685	115 a 180
9	254,947	401,936	301,207	486,339	20,084,917	122 a 176¼
16	.....	2,190,781	.....	301,244	21,234,354	144 a 185
23	.....	1,725,748	249,095	556,464	21,033,912	150¼a 168¾
30	270,182	480,374	284,801	404,312	21,051,896	144 a159
Aug. 6	.....	550,044	.....	90,111	21,159,518	155 a161¼
13	313,612	1,210,220	.....	341,883	21,080,309	152 a159¾
20	.....	238,398	571,281	48,009	20,794,268	155 a158
Total....	$7,837,497	$25,946,396	$8,346,613	$1,179,653		

In July the Government sent $500,000 in gold from San Francisco to London, and made transfers to New York to meet interest. The new Secretary, August 20th, gave notice that the interest on the United States stock would be paid in advance. The Amounts were as follows:

August 19, on 7-30	$1,000,000
September 1, on 10-40	1,878,000
October 1, on 7-30	2,000,000
November 1, on 5-20	15,300,000
Total	$20,175,000

This was a repetition of Mr. Chase's vagaries, in the hope of bringing down the price of gold, when the flood of paper issues continue.

The dullness of business prevented any considerable demand for gold, and the export of 5-20 bonds to Germany supplied some bills, but, as we have shown, at a fearful cost. $100,000 sold having giving but £3,000 of exchange. The market was, however, pretty clear of bills, and so uncertain had the business become, that to buy a line of exchange a very high price was required. But, on the other hand, if a line was offered upon the market low rates were submitted to make sales. In many cases rates were nominal.

RATES OF EXCHANGE.

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 2,.	166 a 166¼	3.38¾ a 3.34¼	62¼ a 63	62⅝ a 63¼	55½ a 56	110½ a 111
" 9,.	166¼ a 167⅛	3.38¼ a 3.40	62⅝ a 63	62⅝ a 63¼	55⅝ a 56¼	110½ a 111
" 16,.	169¼ a 170⅛	3 30 a 3 32¼	64 a 64¼	64¼ a 64⅝	56¼ a 57½	112⅛ a 113⅛
" 23,.	170 a 171	3.31 a 3.33	64¼ a 64¼	64¼ a 65	56⅝ a 57	112⅛ a 113⅛
" 30,	171 a 172	3.32½ a 3.28½	64½ a 64⅝	64¼ a 65	57½ a 57½	113½ a 114
Feb. 6,	174 a 175	3.26½ a 3.23⅛	65½ a 66⅛	65¼ a 66	58 a 58½	115 a 116
" 13,	173 a 174¼	3.27½ a 3.23½	65 a 65¼	65½ a 65¼	58½ a 58½	115½ a 116
20,	172½ a 174	3 27½ a 3.23⅛	65¼ a 65⅛	65¼ a 65⅛	58½ a 58½	115½ a 116
27,	173¼ a 174	2.26½ a 3.22	65¼ a 65½	65⅛ a 66	58⅛ a 58⅛	115⅛ a 116½
5,	174½ a 175⅛	3.25 a 3.21½	65⅛ a 66½	66 a 66¼	58½ a 59	116 a 117
12,	177 a 178	3 15 a 3.18⅛	66 a 66½	67 a 67½	59 a 59½	117½ a 118
19,	176 a 177	3.22½ a 3.18⅛	65½ a 66½	66 a 66½	58½ a 59	116 a 117
26,	179½ a 182	3.15 a 3.10	67⅛ a 68½	68 a 68⅛	60½ a 61	120 a 121
April 2,	177½ a 181	3.18⅛ a 3.12½	66⅛ a 67	67 a 67⅛	59½ a 60½	118 a 120
" 9,	184 a 185	3.08 a 3.06½	68½ a 69	68⅛ a 69½	61½ a 62	121½ a 122
" 16,	189 a 191	2.97½ a 2.95	70 a 71	70½ a 71½	62½ a 64½	127 a 128
" 23,	190 a 192	3 05½ a 2.95	71½ a 71⅛	71½ a 72	62⅛ a 63½	124 a 125
" 30,	195 a 198	2.90 a 2.85	73 a 74	73½ a 74½	65 a 66	130 a 131
May 7,	192 a 195	2.96½ a 2.90	72 a 73	72½ a 73½	63½ a 64½	126 a 127
" 14,	192 a 187	2.95 a 3.02	71½ a 70½	71½ a 71	62½ a 63	124 a 125
" 21,	196 a 198	2.87½ a 2.83½	71 a 75½	73½ a 75	65 a 66	130 a 131
" 28,	201 a 203½	2.81½ a 2.77½	75½ a 76⅛	75½ a 76½	67 a 67½	134 a 135
June 4,	218 a 210	2.72½ a 2.68½	78 a 79	77½ a 74½	68½ a 69	135 a 136
" 11,	215 a 218	2.65 a 2.60	79 a 79½	78 a 79	71½ a 72	143 a 144
" 18,	216 a 219	2:64 a 2.88	79½ a 80½	80 a 80½	72 a 73	145 a 145½
" 25,	235 a 238	2.37½ a 2.41½	86 a 87	.. a ..	76 a 77	154 a 155
July 2,	270 a 295	2.15 a 1.92½	93 a 94	.. a ..	85 a 95	185 a 195
" 9,	292 a 298	1.95 a 1.87½	.. a ..	200 a215	96 a 98	184 a 188
" 16,	288 a 290	Nominal.				
" 23,	273 a 282	2.10 a 2.01½	.. a ..	101 a103	90 a 93	182 a 184
" 30,	270 a 274½	2 15 a 2.07½	.. a ..	98 a100	88½ a 90½	178 a 180
Aug 6,	279 a 283	2.00½ a 2.00	.. a ..	103 a105	91 a 93	184 a 185
" 13,	274 a 277	2,05 a 2.07½	.. a ..	.. a ..	91½ a 92½	183 a 185½
" 20,	278 a 279½	2.06½ a 2.02½	100 a 102½	101 103	91⅝ a 92½	183 a 184

The sales of United States stocks abroad caused some advance in the rates, particularly of the 5-20's, and the prices ranged as follows:

PRICES UNITED STATES PAPER.

	6's, 1881. Reg.	6's, 1881. Coup.	5's, 1874.	7 3-10, 3 years.	1 year certif. Old.	1 year certif. New.	Gold.
January 2..	104⅝	105½	96	106½	101½	97⅝	151½ a 151⅝
" 9..	104⅝	105½	96	106½	102	97⅝	152 a 152½
" 16..	104	105½	96	106½	102½	97⅞	155 a 155½
" 23..	106	107	97	107	103	97	156 a 158
" 30..	106⅝	106	100	107½	102⅝	97⅝	156½ a 156⅝
February 6..	107⅝	107½	100	108	102⅝	98⅝	159⅝ a 159⅝
" 13..	109⅝	109⅝	100	109½	103	98⅝	159½ a 159½
" 20..	111½	110	100	111	103	99½	159⅝ a 161
" 27..	111½	110½	100	111	103	99½	159⅝ a 161

March	5..	111¼	111	100	111	103¼	99⅝	161¼ a 161½
"	12..	112	112	100	110½	103	99⅝	162¼ a 162⅝
"	19..	112	112½	100	110½	103	99½	162 a 162½
"	26..	112	112½	100	111½	103	99½	169⅝ a 179
April	2..	111	110	100	111	...	99½	166⅝ a 167⅞
"	9..	112	112	102	111½	...	99½	169½ a 170
"	16..	107½	112½	102	112	...	99	173 a 189
"	23..	105½	108	109	109	...	97	174⅛ a 179
"	30..	114	114	102	111	...	98½	179½ a 179⅝
May	7..	113	113	102	109½	...	98½	173⅝ a 173⅝
"	14..	114	114½	102	111	...	98½	172½ a 172½
"	21..	114	114	102	111	...	98½	183 a 183½
"	28..	114	114	102	111	...	98½	186 a 186½
June	4..	109	113½	102	109⅛	...	98	190⅛ a 191
"	11..	108	113	102	108½	...	97⅞	198½ a 198⅝
"	18..	107	112	102	107	...	97	195½ a 196
"	25..	104½	112	102	106½	...	96½	212 a 216
July	2..	104½	111	102	105½	...	94	235 a 240
"	9..	104	104	102	105	...	94	266½ a 267
"	16..	102⅝	102⅝	102	103½	...	94½	244 a 285
"	23..	102½	102½	102	103½	...	92½	250 a 268
"	30..	107	107	98	107⅝	...	95½	251 a 251½
Aug.	6..	106½	105½	99	107½	...	94½	260 a 260½
"	13..	106⅝	107	100	108	...	95	256½ a 256
"	20..	108½	108½	100	110	...	94⅞	257½ a 257½

The different descriptions of the United States stocks upon the market afford various terms of investment, and ran much upon the fashion of the moment. Many persons bought 7-30, interest in paper. because they were convertible into six per cent, long stock three years hence, but a great saving would have been effected by buying those stocks directly at the market price. The Treasury Department issued a notice that the interest on the 10-40's, due September 1, and of the 5-20's, due November 1, would be advanced to the holders. This notice caused an advance in the price of those stocks equal to the premium on the gold.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

The banking movement has remained, during the month, rather quiet. The institutions are mostly over charged with the paper of the government. and have little demand from trade for the usual discounts. The effect of the currency, by forcing cash business upon merchants, has made them independent of the banks, with the exception of those who have dealings with the government; as all such do not get their pay regularly they, therefore, require aid from the Banks. These institutions look forward to great vicissitudes. The most of the business they have done in the last three years has been government business, growing out of the immense expenditures. This has been very profitable in more than one sense; it has given them high rates of interest on full liens; it has, by inflation, enabled them to get in debts that might otherwise have been doubtful, and has given great value to their specie relatively to their debts. The return of peace and the redemption of the currency, will bring the reverse of all this. When the government business ceases, there will be a renewed demand for mercantile discounts, but it will be a long time before the currency will be so restored as to render credit operations safe or general, and they will, at all events, be at falling values. Nothing can be more hazardous to Banks than such a state of affairs; many of those institutions that have now this money in hand, and are able to apply government paper in payment of their debts, think seriously of winding up. The Seventh Ward Bank is an instance in which this determina-

tion to close business has been carried out very successfully. It paid off its deposits. $1,800,000, in a few days, and by stopying business, its notes receivable ran off as they matured. It divided forty per cent in specie on its capital, two dividends of five per cent each on its earnings, a dividend of the surplus of the old Bank, and another of that of the new institution, and will divide sixty per cent more, in paper, soon. This the proprietors thought much more judicious than encountering the hazards of an unknown future.

The following letter from the Ex-Secretary of the Treasury, indicates the fearful evils to which the country is exposed by incapable rulers, and the persistency with which these destructive ideas of Mr CHASE have been followed up. The letter is in reply to one from Hon. JOSEPH CABLE, inquiring for the reasons which led to the former's resignation:

WASHINGTON, July 11, 1864.

MY DEAR SIR.—We have not written each other frequently of late, but my regard for you has by no means diminished. Hard at work, I have not had time for correspondence, but my heart still holds to my old friends.

I trust there is no ground for the fear that the country is again to be cursed with the miscellaneous currency of local corporations, but it is impossible to forsee what is to come. It was one of my strongest desires to give the people a uniform currency, made, in the end, equivalent to gold everywhere. My efforts were stoutly resisted outside, and had not earnest support inside of the administration. They were steadily prevailing, however, when a sense of duty to myself and the country, alone, compelled me to resign. I hope they will not be abandoned.

Your friend,

HON. JOSEPH CABLE. S. P. CHASE.

The local Banks grew up during 80 years of the most extraordinary prosperity, with men of the type of MOSES TAYLOR, JAMES GALLATIN, THOMAS TILESTON, JAMES PUNNELT, &c. &c., at the head of them; men whose great genius and business means upheld the Treasury, with its incapable head, and mass of corrupt hangers on. These banks, with their able managers, Mr. CHASE says he sought to supplant, with banks started by inexperienced persons, and, in many cases, by mere aspirants for political advancement, who were to issue inconvertible paper of every shade of discount, and only nominally redeemable in greenbacks. He intimates that he resigned because he could not work out this great iniquity.

The old system is the only uniform one, because it adapts itself entirely to the local wants, while all the circulation comes up to the uniform lever of specie payments. The circulation of New England is based upon chartered institutions, with three exceptions in Massachusetts and one in Vermont. Each of these States has free banking laws, but they are practically inoperative. The circulation of the New England States is based upon the value of the charter to the bank, the bank capital, and the personal responsibility of the stockholders. In Massachusetts the banking laws require fifteen per cent of the capital to be kept in specie. In Maine five per cent is the minimum. In Connecticut the commissions report that the security of the circulation depends upon the solvency of the banks. The present free banking law is not practically in force in Illinois, and in Indiana the bank circulation is secured by United States stocks, or any solvent State stocks paying interest. Federal stocks, with ten per cent margin over the New York Stock exchange prices, are the basis of circulation in Iowa, with the privilege to the State Bank to issue circulation to its branches on the deposit of twelve and a half per cent of national stocks. The general banking law of Michigan makes provisions for a circulation limited to three-fourths of the capital stock of each bank, the same to be secured by United States securities, or the stock of any solvent State, to be taken at or under ninety-five per cent of the market or par value. The circulation of the Missouri banks is limited to three times their capital, and they are required to keep thirty-three and one-third per cent of their circulation. In Wisconsin the general banking law demands as security for bank note, federal or State stocks of equivalent value, to be taken

at or under par. The Kentucky banks are chartered, and, by their charters, their circulation has prescribed limits, and the same system is adopted in Ohio, Maryland and Pennsylvania. In New Jersey, bonds and mortgages and public stocks are received as security for the circulation of the banks.

It will thus be seen that each State has its banking rules, and these are specially adapted to its own wants, as proved by experience. It was this system which Mr. Chase designed to overthrow, and supersede by his favorite National Bank system; a system that has, as we have said, grown up with, and is the offspring of, the wants and trade of the country, and is presided over and managed by the leading financial and commercial minds of our country. That it was not perfect is an accusation that can be brought against every human institution. Can it be anything less than madness to ruin such a system, and to ignore such men in times like these, and, in their stead, thrust upon the community an untried scheme, managed by inexperienced hands, and *fat* with evils?

On this subject of National Banks we have received very many letters, agreeing with us in the opinions we have from time to time expressed; but the writer of the following appears to take a different view. Certain immaterial portions of the letter are ommitted:

Westport, Conn., August 6th, 1864.

Dear Sir,—The statistical matter in your Magazine is always useful and handy for reference, and really desirable; but, we are sorry to say, we never read an article, in which you refer to the financial department of our Government or National Banking without very unpleasant reflections.

We have no time or desire to enter at length into this discussion, but would state one or two particulars. You say many of the Banks ("Commercial Chronicle and Review,") would have turned their two year legal-tenders into the Treasury for depositor's certificates, had there been any assurance that they would not have to take pay in National Bank notes, &c. We have been engaged, under the National system, some three or four months, and have had almost daily applications for currency, with the offer of sight checks from your best City Banks, bankers, and brokers, for all the currency we could spare. In your "Journal of Banking, Currency, and Finance," you seem to be convinced that the demerits of the National Banking Act will convince all that Government has certainly nothing to gain, but everything to lose, by encouraging the act—you fear they will experience little but disappointment, &c.—Are these remarks honest, or made from blind prejudice or malice? * * * * * * * * Can you tell us why none of the great staples of the West can be bought with State Bank bills? Why is it that legal-tenders or National currency is demanded? Why is it that National currency is not returned for redemption after being out six months, (we know of two Banks, one in New Haven and one in Stamford, whose circulation, amounting to some $300,000, has been out from six to eight months, and not a dollar returned by their redeeming agents,) when the State Banks have to redeem their circulation once in about six weeks?

Is it because the State Banks are the more safe? * * * * * * Our national debt is lamentably large, and never can be paid without a united action of the Banks. This debt is principally owed to the bankers—every dollar in circulation gives evidence of the confidence the people have in National currency; and, we think, if every bank could go under the National act, within a month, gold would go down to, not over, from 30 to 40 per cent premium—even under all our war troubles—exchange would be uniform, and, were the war to end twelve months following, our currency would be equal to that of the Bank of England. We speak only from experience, and of facts that we do know. Truly yours, —— ——

First.—In stating that the City Banks would have turned their two year legal-tenders into deposit certificates, had they been assured they would not have to take pay in National Bank notes, &c., we simply stated a fact, which our correspondent does not attempt to controvert. Whether, or not, it was foolish for them to be afraid of National Bank notes, is another question, about which men may differ; but still the fact remains the same—they offered to loan the Government their money if it would agree to pay it back in legal-tenders, and not in National Bank notes. It was their own money, and they had a right, in loan-

ing it, to make such conditions as they choose. Now, for us to have stated that such was the fact, when it actually was, does not look like "malice" on the MAGAZINE's part, according to our ideas, nor yet like "blind prejudice."

Second.—Our correspondent also calls in question the remark made by us, to the effect that all will soon be convinced that Government has nothing to gain but everything to loose by encouraging the organization of National Banks. Had our friend stated some advantage these National Banks were conferring upon the country, perhaps we might have become convinced of the beneficence of these CHASE institutions. It is, however, a little peculiar, if they are such blessings, that we should never have met, in all our reading, with a clear statement of one single advantage the Government was to obtain from them. To be sure, in the above letter it is stated, that "if every Bank could go under the National Act, within a month, gold would go down to, not over, from 30 to 40 per cent premium." This would certainly be a very great advantage, in fact an immense benefit to the Government; and yet as no reasons are stated why such a revolution would be produced by such a course, we must be excused for witholding our assent to the proposition. On the contrary, according to our ideas, no greater misfortune to the Government finances could happen than the sudden winding up of our State Banks, and their reorganization under the National act. The State institutions of this city alone, hold, now, about $200,000,000 in Government paper and securities. Suppose (as would be the case), in closing up, they were compelled to throw that amount, or one-half of it, upon the market, how much would Government securities be worth? Does it not look as if it would break the market and destroy the Government credit! Now, add to this result the effect caused through a similar action on the part of all the State Banks of the country—who can measure the disaster that would follow?

Or take another view of it—suppose that the Banks of this city were safely organized under the United States act, and that then they should deposit with the Comptroller United States bonds, and receive 90 per cent in currency; would not that be a decided injury to the Government—this increasing the volume of the currency without the least advantage to itself! If our currency is to be inflated, and we to be cursed with a further rise in prices, why should it not be done by the issue of greenbacks, instead of National Bank notes? In one case, the Government loans its notes to the Banks for nothing, and, in the other, loans them to the people for value received—that is, pays them out on its debts. Can the Government—yes, can the people, afford to be so generous to monied institutions?

But we cannot spend further time and space enumerating the evils of this new system. They are too many and too evident, and have been too frequently referred to, from time to time, in these pages to need repetition here.

Third.—We are further called to account, for saying that we fear those who are organizing these Banks will experience little but disappointment. Pray do not let it be understood by our words, that we fail to see you are making a good thing out of the Government at the present time. Receiving on the bonds, which your capital is invested in, six per cent in gold, and also receiving on them ninety per cent in currency (which you say you find no difficulty in keeping out), besides loaning the Government funds you hold on deposit, and getting a handsome brokerage on all loans made by or through you *to* Government, is certainly very encouraging to beginners, and should make you very thankful to the dear Government that cherishes you so tenderly. But although you are now thus swiftly gliding down the stream, with every sail set, while all about is wearing a roseate hue, looking so prosperous, there are dangers—very many—and you will soon realize the fact. Open your eyes, and see if you do not even now discover a little cloud rising; it may be, with your vision, no bigger than a man's hand, but is it not there? Did you know that to day, with gold, we could buy up all your capital, and all your circulation, at thirty seven cents on a dollar! That a man living in California, and worth seventy-four thousand dollars in their currency, can come east and buy the entire capital of a $200,000 National Bank!

Under such circumstances, do you think a prudent man would start a Bank, unless the Government patronage induced him to? And suppose that patronage were to be taken away, and, further, that the currency should continue to depreciate another year as it has the past year—what would happen? Would you be as happy as now, and have the same confidence in National Banks? Or, rather, would you not, in your undertaking, "experience little but disappointment!"

Fourth.—We are also asked why National Currency is not returned more frequently for redemption, and why greenbacks, instead of State Bank bills, are demanded in the purchase of some of the great staples of the West. The answer is certainly very simple. Greenbacks are, by law, made a legal-tender, and are, therefore, at par in all parts of the country, whereas, State Bank bills not being legal-tender, are at par only at their points of redemption. So, also, Government takes greenbacks and National Bank notes for taxes, stamps, loans, &c., and pays them out to the army, &c., but it will not take nor pay out State bills. Hence it is that United States notes and National Bank notes are in demand, and the latter are not returned for redemption—they will serve purposes that State bills will not. Whether State Banks or National Banks are the safer, in no way enters into the account.

In the last month the New York Banks have, generally, drawn in their loans to the Treasury as deposit certificates, and have received large deposits from the country. The following are the weekly returns brought down to the latest dates:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $————; *Jan.*, 1863, $69,494,577.)

Date.		Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
January	2,..	$174,714,465	$25,161,935	$6,103,331	$140,250,856	$300,753,147
"	9,..	173,009,701	25,122,002	6,032,546	134,861,977	387,546,217
"	16,..	165,991,170	23,884,264	6,008,182	130,311,046	416,962,806
"	23,..	162,925,880	24,077,513	5,049,807	130,136,203	460,811,543
"	30,..	162,296,896	24,203,632	5,913,558	130,665,415	427,306,608
February	6,..	163,076,846	24,070,791	5,974,762	133,849,042	425,430,985
"	13,..	165,090,329	23,521,453	5,916,707	140,464,616	467,751,745
"	20,..	168,302,935	22,523,918	5,908,394	148,014,106	514,887,411
"	27,..	174,925,205	22,801,687	5,907,851	154,875,059	575,442,304
March	5,..	182,317,378	21,188,084	5,937,167	158,999,668	518,951,433
"	12,..	189,757,746	20,750,405	5,918,807	168,044,977	688,822,273
"	19,..	198,229,513	21,059,542	5,889,197	169,687,975	618,338,858
"	26,..	199,872,437	20,425,504	5,514,139	168,315,904	576,253,989
April	2,..	203,993,131	19,526,665	5,708,908	171,151,297	670,872,745
"	9,..	204,333,192	20,924,287	5,804,511	170,513,020	658,352,113
"	16,..	198,703,699	21,687,670	5,779,650	168,350,790	646,593,643
"	23,..	196,286,722	24,868,003	5,679,947	161,978,166	672,442,840
"	30,..	194,157,495	24,087,343	5,626,978	164,578,919	446,587,420
May	7,..	192881,246	23,082,028	5,594,832	168,562,197	410,052,013
"	14,..	194,178,921	22,635,155	5,482,357	174,426,682	413,552,127
"	21,..	197,356,939	22,091,691	5,367,355	173,111,884	486,884,114
"	28,..	195,813,462	21,973,180	5,240,812	171,765,696	410,972,198
June	4,..	196,740,609	22,461,604	5,180,659	174,516,367	477,648,207
"	11,..	194,935,822	24,041,704	5,049,457	172,537,248	445,519,165
"	18,..	195,773,583	22,916,291	4,959,096	169,445,767	431,158,427
"	25,..	197,077,002	22,000,988	4,807,195	158,772,982	442,840,362
July	2,..	198,089,016	21,206,685	4,752,917	154,989,844	452,583,531
"	9,..	199,699,742	20,084,917	4,696,107	153,525,977	336,521,426
"	16,..	199,043,887	21,234,354	4,724,538	151,816,947	466,125,408
"	23,..	190,885,761	21,033,912	4,688,892	147,981,325	403,144,195
"	30,..	185,838,480	21,051,896	4,553,426	152,929,633	399,439,731
August	6,..	185,563,507	21,159,518	4,522,728	153,279,263	415,860,189
"	13,..	185,074,244	21,080,309	4,417,804	155,826,514	422,879,926
"	20,..	185,998,407	20,794,268	4,346,658	156,536,217	382,685,847

The National Banks at their quarterly statement, July 1, were as follows:

CONDITION OF THE NATIONAL BANKS ON THE MORNING OF THE FIRST MONDAY OF JULY, A.D. 1864, BEFORE THE COMMENCEMENT OF BUSINESS ON SAID DAY.

Resources.

Loans and discounts	$70,746,513 33
Real estate, furniture and fixtures	1,634,049 46
Expense account	505,341 31
Remittances and other cash items	5,057,122 90
Due from National Banks	15,935,780 13
Due from other banks	17,337,558 86
U. S. Bonds, and other U. S. securities	92,839,500 00
Bills of other banks	5,344,172 39
Specie and other lawful money	42,288,797 84
Other items	842,017 78
Aggregate	$252,273,063 75

Liabilities.

Capital stock paid in	$75,213,945 65
Surplus fund	1,129,910 22
Notes in circulation	25,826,665 00
Deposits	119,288,453 27
Unpaid dividends	125,785 11
Due to National Banks	17,303,873 12
Due to other banks	10,078,133 25
Profits	3,094,330 11
Other items	213,788 02
Aggregate	$252,273,803 75

HUGH MCCULLOCH, Comptroller.

WASHINGTON, D C., August 16, 1864.

The returns for the previous quarter will be found page 139 of the August number. The leading features compare as follows:

	Loans.	Legal-tenders.	Circulation.	Deposits.
March	$29,583,559	$22,961,441	$9,797,975	$51,274,912
July	70,746,513	41,286,797	25,825,665	119,288,453
Increase	$41,162,954	$18,325,356	$16,027,690	$68,013,541

These deposits are largely United States money. The former returns made a distinction between United States and individual deposits. In the present returns the former are disguised in the latter. The banks hold $92,350,000 United States bonds, or $12.000.000 more than their capital.

Below will be found the weekly returns of the Boston Banks:

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1862, $38,231,700.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,..	$76,805,843	$7,508,889	$9,625,043	$32,925,679	$12,831,000	$12,351,500
" 11,..	77,747,734	7,581,195	10,185,615	31,624,185	12,703,600	11,019,000
" 18,..	75,877,427	7,464,511	9,963,389	31,151,210	12,041,000	11,769,000
" 25,..	74,146,000	7,440,000	9,729,000	30,893,000	11,106,700	12,227,000
Feb 1,..	73,959,175	7,385,413	9,660,163	30,655,782	10,825,000	11,854,500
" 8,..	71,765,122	7,265,104	9,579,020	30,030,292	11,315,000	12,272,000
" 15,..	71,088,849	7,224,924	9,741,471	30,412,647	11,615,000	13,448,000
" 22,..	71,074,000	7,215,500	9,411,000	31,831,000	11,329,600	14,925,404
" 29,..	72,189,003	7,179,310	9,371,440	33,155,888	12,224,603	16,189,720
Mar. 7,..	72,687,868	7,108,519	9,606,818	33,668,017	12,313,829	16,535,992

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
" 14,..	72,105,111	7,052,181	9,490,311	33,891,204	12,704,181	17,315,231
" 21,..	73,207,121	7,033,721	9,548,211	35,090,181	13,092,531	17,266,741
" 28,..	73,485,514	7,016,086	9,210,096	34,859,508	13,352,706	17,071,782
April 4,..	71,838,506	6,856,708	9,442,082	32,861,609	13,601,005	15,786,091
" 11,..	72,620,348	6,932,192	10,447,916	33,324,978	15,094,360	17,362,371
" 18,..	72,328,896	6,869,726	10,331,806	33,510,054	14,447,997	17,054,244
" 25,..	72,538,611	6,952,498	10,938,991	31,810,971	14,715,981	15,790,498
May 2,..	71,270,181	6,642,798	10,127,097	31,461,499	14,206,581	14,206,592
" 9,..	69,471,481	6,716,484	10,621,591	31,172,584	12,801,000	16,239,000
" 16,..	68,888,581	6,644,493	10,126,478	31,633,071	12,500,671	16,201,083
" 23,..	66,683,510	6,573,181	9,899,193	36,605,131	11,871,719	15,733,691
" 30,..	69,291,301	6,541,201	9,681,204	34,391,208	11,101,307	15,925,201
June 7,..	67,093,500	6,509,181	9,160,621	32,771,821	10,875,181	16,130,720
" 14,..	67,942,400	6,524,207	8,771,181	33,305,220	10,710,089	15,057,131
" 21,..	68,880,121	6,507,021	8,933,121	32,740,201	11,681,602	14,790,012
" 28,..	69,691,000	6,470,600	9,068,712	30,865,101	12,260,080	12,872,111
July 5,..	66,950,111	6,290,521	9,574,009	29,940,102	11,880,312	13,809,002
' 12,..	66,452,107	6,301,101	9,936,491	32,260,004	11,306,002	13,434,528
" 19,..	66,079,000	6,246,211	9,890,081	30,584,101	10,003,181	13,942,001
" 26,..	59,973,511	5,733,010	9,775,481	27,905,491	9,151,111	13,473,621
Aug 2,..	59,760,398	5,729,431	9,327,101	27,866,201	8,947,021	13,039,587
" 9,..	60,655,181	5,734,101	9,685,671	27,806,030	9,842,621	13,261,654
" 16,..	61,175,211	5,665,981	9,538,841	27,773,821	9,855,921	12,798,821
" 24,..	61,817,002	5,660,911	9,567,921	27,221,731	10,052,871	12,007,481

The County Banks of Massachusetts were as follows:

	Loans.	Specie.	Circulation.	Deposits.	Balances.
July 2,..	$56,628,376	$1,348,376	$21,694,366	$13,141,787	$5,427,595
" 30,..	56,487,727	1,298,756	21,743,761	12,585,810	5,184,681

As compared with last year, they were as follows:

	Loans.	Specie.	Deposits.	Circulation.
July 30, 1864....	$55,487,727	$1,398,756	$12,585,810	$21,743,861
Aug. 1, 1863....	56,490,588	1,681,139	13,504,214	20,746,357
Aug. 2, 1862....	48,847,127	1,815,116	10,705,931	17,337,587

The circulation in Massachusetts increased in proportion to the activity of manufacturing under government orders and contracts. These have bestowed a greater degree of prosperity upon Massachusetts than she ever before enjoyed.

The returns of the Providence Banks were as follows:

	Loans.	Specie.	Circulation.	Deposits.
July 23,.....	$24,201,200	$349,600	$3,996,400	$5,410,900
" 30,.....	24,014,200	349,400	4,024,800	5,435,000

The quarterly statement of the Banks of Ohio, to the first Monday in August, as compared with those of the last quarterly statement, and those for August, 1863, 1862, and 1861, are as follows:

	Aug., 1864.	May, '64.	Aug. 1, '63.	Aug. 1, '62.	Aug. 1, '61.
Stocks.....	$4,555,820	$4,640 820	$5,177,500	$5,602,000	$5,589,750
Specie.....	1,238,582	1,370,871	2,390,933	3,384,932	2,199,825
E'n deposits..	1,983,193	2,648,462	2,149,806	3,353,592	2,113,219
Loans.....	10,090,139	11,456,954	10,435,932	11,087,328	10,358,951
Circulation...	5,538,796	5,941,679	6,915,475	9,973,882	8,800,081
Deposits.....	10.858,623	11,167,217	11,283,209	8,598,426	8,920,932

The weekly returns of the Philadelphia Banks are as follows:

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1862, $11,970,130.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,...	$35,698,808	$4,158,585	$2,055.811	$29,878,920	$4.316.763	$2,963,563
" 11,...	35,458,967	4,158,235	2,050,891	30,484,227	4,001,473	2,814,188
" 18,...	34,896,842	4,158,125	2,044,427	31,194,851	4,330,120	3,063,148
" 25,...	34,849,959	4,103,065	2,047,846	32,354,253	3,500,693	2,905,921
Feb. 1,...	34,345,126	4,108,109	2,056,582	32,027,147	3,453,431	3,271,306
Feb. 8,...	34,146,677	4,102,671	2,066,069	31,033,030	4,080,059	2,461,273
" 15,...	34,590,880	4,102,748	2,069,061	29,911,704	4.322,609	2,080,750
" 22,...	35,059,676	4,102,588	2,119,488	30,783,741	4,468,751	2,099,778
" 29,...	35,519,704	4,102,848	2,167,848	31,435,753	4,837,264	2,114,227
Mar. 7,...	35,913.334	4,102,632	2,208,492	31,712.547	5,523,316	2,116,042
Mar. 14,...	35,956,678	4,099,707	2,308,250	32,511,405	5,508,146	2,338,819
" 21,...	36,412,923	4,099,664	2,340,182	32,835,038	6,933,974	2,428,227
" 29,...	36,695,415	4,096,401	2,357,768	33,156,496	5,791,191	2,724,935
April 4,...	37,262,220	4,095,495	2,390,092	34,404,607	5,641,638	3,425,805
" 11,...	37,032,110	4,093,461	2,379,827	35,958,444	5,855,277	3,799,151
" 18,...	39,535,334	4,095,387	2,329,590	38,174,046	5,748,257	3,291,176
" 25,...	39,570,567	4,095,475	2,253,386	37,393,247	6,067,966	2,592,465
May 2,...	39,770,436	3,972 349	2,241,885	37,758,886	6,374,531	2,730,540
" 9,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 16,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,853,894
" 23,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 30,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,858,894
June 7,...	39,723,493	3,694.320	2,100,927	38,249,800	5,993,116	3,186,259
" 14,...	40,286,433	3,964,758	2,077,753	38,367,171	5,930,707	3,007,283
" 21,...	40,286,488	3,964,529	2,074,273	37,588,203	6,403,664	2,998,548
" 27,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
July 4,...	40,918,009	3,955,836	2,154,258	37,945,805	6,225,952	4,325,450
" 11,...	40,717,527	3,949,105	2,337,651	37,312,423	6,197,570	4,658,667
" 18,...	40,731,324	3,948,440	2,208,068	36,462,271	6,189,843	3,616,992
" 26,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
Aug. 2,...	39,277,980	3,962,385	2,249,226	36,520,768	6,059,048	3,816,165
" 9,...	39,142,449	3,962,867	2,231,394	37,234,436	5,992,712	3,785,896
" 16,...	39,353,341	3,962,313	2,214,929	36,826,674	5,801,231	3,691,201
" 24,...	39,401,423	3,962,154	2,222,401	35,869,084	5,738,141	3,891,137

The last return of the Bank of England showed a further increase in the rate of interest to seven per cent, in the week ending July 27, and to eight per cent in that ending August 3. These changes make seventeen in nine months of nearly one per cent each. The number and magnitude of these changes attracts attention. They are based primarily upon the fact that the English business is too much extended. They are conducting too large a commerce on too small a cash capital, and many influences conspire to draw money from England the moment there is any relaxation in restraints. These are, 1st, the large export trade; 2d, considerable subscription companies, by which capital is sent out of England; 3d, the usual influence of harvest time is drawing coin into the interior, and 4th, the rise in prices of many articles of imported produce. These circumstances compel the Bank directors to watch more carefully the course of events, and to act with greater promptness and vigor when they perceive the reserve falling fast, under influences that have apparently a permanent character. The raising and lowering the rate of interest acts like the opening and shutting of flood gates, restraining the flow of capital on one side, and aiding its supply on the other. On the 2d November last the rate of money was four per cent, on the 3d December eight per cent, February 25, six per cent, and it has since continued to vary with unprecedented margin. In July the rate fell to six per cent, when the subscriptions to paying stocks set in with greater vigor, and the demand for coin for the service of the crops began to be felt. The declining reserve caused the Bank at once to raise the rate. It is to be remarked these sudden and large

changes create far less anxiety among commercial people than formerly, when a riseof one per cent in the bank rate was regarded as a very grave event. The Bank returns are as follows:

THE BANK OF ENGLAND RETURNS.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 2,...	21,685,732	7,234,894	12,924,545	31,980,589	13,048,475	8 per ct
" 9, ..	20,801,207	8,629,856	12,981,276	32,622,659	13,008,617	8 "
" 16,...	20,382,764	9,103,738	13,265,068	32,303,049	13,675 474	7 "
" 23,...	20,273,799	10,266.546	12,711,637	32,270,286	14,217,067	7 "
" 30,...	20,686,538	10,841.991	13,021,212	33,438,154	14,862,605	7 "
Jan. 6, '64	21,322,304	10,001,982	13,052.604	33,486,952	14,196,754	7 "
" 13,...	21,396,420	5,264,097	15,411,794	31,726,575	11,708,597	7 "
" 20,...	21,445,793	5,689,074	13,879,577	31,445,860	12,974,109	8 "
" 27,...	20,875,825	6,337,246	13,406,627	31,017,449	13,022.220	8 "
Feb. 3,...	21,162,626	6,748,567	13,372.981	31,436,334	13,303.248	8 "
" 10,...	20,708,113	7,254,682	12,882,226	36,925,317	13,472,271	7 "
" 17,...	20,896,172	7,079,789	13,306,156	31,078,328	13,588,635	7 "
" 24,...	20,207,871	8,153,601	12,426,678	30,504,827	13,819.412	6 "
March 2,...	20,840,374	7,893,633	13,541,278	31,980,446	14,034,222	6 "
" 9,...	20,563,325	8,863,864	12,434,975	31,769,311	13,884,389	6 "
" 16,...	20,333,112	8,570,711	13,105,800	31,929,164	13,916.943	6 "
" 23,...	20,566,705	9,841,323	12,480,154	32,112,543	14,499,201	6 "
" 30,...	20,908,644	10,280,458	12,658,986	33,472,484	14,163.519	6 "
April 6,...	21,528,914	9,818,880	13,348,299	34,223,509	13,616,762	6 "
" 12,...	21,785,597	5,929,922	13,586,029	31,385,305	13.080,300	6 "
" 20,...	21,672,783	5,787,329	13,684,069	31,596.179	12.748,302	7 "
" 27,...	21,484,602	6,217,965	12,620,036	30,961,635	12,567,776	7 "
May 4,...	22,045,792	6,951,132	12,278,903	32,070,427	12,454,244	9 "
" 11,...	21,478,987	7,299,434	12,901,160	32,239,210	12,705,251	9 "
" 18,...	21,313,352	7,568,661	12,962,402	31,855,696	13,267,4 6	8 "
" 25,...	20,868,047	7,971,003	12,882,042	31,297,181	13,713,943	7 "
June 1....	21,246,840	8,286.719	12,493,776	31,329,121	14,052,761	7 "
" 8,...	20,766,405	8,748,510	11,966,204	30,711,740	14,043,129	7 "
" 15,...	20,597,557	8,512,311	12,790,361	30.884,192	14,304,205	6 "
" 22,...	20,623,207	9,287,594	13,051.661	31,948,856	14.319,061	6 "
" 29,...	21,153,606	10,213,535	12,890,244	33,297,897	14,197,849	6 "
July 6,...	21,890,063	9,489,130	13,471,415	34.286,592	13,930,809	6 "
" 13,...	22,161,001	4,683,803	15,982.746	31,687,509	13,701,112	6 "
" 20,...	22,302,688	4,462,490	13,408,675	30,471,085	13,171,561	6 "
" 27,...	22,158,547	4,961,046	13,719,621	31,346,657	12,996,685	8 "
Aug. 28,...	22,489,710	5,155,704	13,519,626	31,909,793	12,877,488	8 "
" 30,...	21,881,314	4,963,222	14,419,766	32,202,646	12,609,925	8 "

The rapid decline in the reserve of the Bank, and the bullion on hand, aided by the amount of American bills running on Germany for pay of stocks, threatened to produce a further rise in interest.

The returns of the Bank of France show no material change in the course of its movement, and it has not raised its rate of interest, as it usually does, following similar action on the part of the English institution. A new change is about to be made in the affairs of the Bank of France. It is known that the Bank of Savoy, forming in the French system an anomally, was, by the annexation of Savoy to France, deprived of its Italian business, and not hoping to be able to develop its transactions in presence of the Bank of France, demanded of the latter to buy up its privilege. Negotiations were entered into, but without result, and the shareholders of the Bank having become impatient, concluded with Mr. EMILE PEREIRE the famous convention which everybody knows. Issuing a large capital, and directed by the ardent promoters of the Credit Mobilier, the new Bank of Savoy, it was said, was destined to become the rival of the Bank of France. This chimerical project, our readers will remember, gave rise to a discussion, in which even the Senate took part, but which ended there. That dis-

cussion, nevertheless, gave much annoyance to the Bank of France, and injured the interests of credit by doubting for a moment the sound principles by which that establishment is guided. This incident is now ended. The Bank of Savoy summoned Mr. EMILE PEREIRE to fulfil his engagements; but as he did not do that, the shareholders are in treaty with the Bank of France for the purchase of their privilege. If we are correctly informed, the bank will give 4.000,000 ($800,000) to the shareholders of the Bank of Savoy. This will confirm the privileges of the French Bank in relation to the issue of circulating notes. It is to be remarked, however, that some of the provincial Banks are issuing interest-bearing notes. The *Credit Agricole*, of Paris, issue notes bearing $3.65c part interest, or one per cent per day. These notes are made payable at five days sight; because to make them payable at sight would infringe the privileges of the Bank of France. The multiplicity of joint stock companies in France seems to be almost as rapid as in England.

A company with a capital of 12,000,000f, in 500f shares, lately took in hand the shipbuilding yards of M. ARMAN, at Bordeaux and Ajaccio, and the engine-building establishment of M. MAZALINE, at Havre. This week the announcement is made that M. CEZARD, a well known sugar refiner of Nantes, is forming a company, with a capital of 5,500,000f, in 11,000 shares of 500f, for the purpose of taking off his hands his two refineries at Nantes. These refineries are among the largest in that country, and turn out about 36,000 tons of refined sugar annually. They are to be taken by the company, with all their *materiel*, and the good-will of the business, for 2,700,000f, though they are declared to be worth more. M. CEZARD is to hold shares in the company to the amount of 1,200,000f. Its name is to be Raffineries Nantaises.

A company headed by M. MICHEL CHEVALIER, bearing the name of Societe Immobilier de Limoges, has been formed, for the purpose of building houses and selling building ground in that town. Its capital has been fixed at 1,250,000f, in 1,500 shares, and it is now soliciting subscriptions to the shares.

The Austrian credit Foncier has been a great success thus far, and now that peace is once more restored, the expansive movement may be considered as having a new impulse. The cloud in the future is, however, the possibility of sudden peace in the United States. Not that there is not a great deal of suffering occasioned by the war, but a peace which suddenly throws open the Southern ports, with their supplies of produce at prices now five or six times above peace prices, would produce such a financial revulsion as might prove very disasterous.

The Bank of France returns are as follows:

BANK OF FRANCE.

	Loans.	Specie.	Circulation.	Deposits.	Interest.
January	—fr.751,649,983	fr.169,027,010	fr.813,490,825	fr.159,797,667	7
February	— 705,516,796	182,573,888	775,096,775	160,110,225	7
March	— 642,135,993	195,994,738	746,610,375	142,925,719	6
April	— 643,570,276	219,320,720	759,926,425	133,701,530	6
May	— 683,332,517	242,824,609	767,443,475	178,434,305	8
June	— 577,309,524	294,892,295	725,381,925	156,685,209	6
"	23, 594,563,973	280,511,406	720,243.375	144,559,768	6
"	30, 676,605.538	277,544 816	766,609,875	165,668,712	6
July	7, 662,197.524	276,522,727	772,309,475	170,022,200	6
"	14, 667,187,446	266.890,961	792,819,275	152,242,482	6
"	21, 639,299,542	269.810,253	788,378,725	135,282,170	6
"	28, 642,692,154	276,162,420	791,673,525	144,636,985	6
August	4, 634,904,899	276,790,393	786,629,625	157,810,891	6
"	11, 633,495,575	272,433,487	777,023,925	148,866,812	6

The rate of interest in France is, as a general thing, maintained much more regular, and at lower rates, than in England. The Bank is, however, not exposed to the same number and strength of demands as that of London, and its reserve of specie is relatively larger.

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

OCTOBER, 1864.

THE NATIONAL DEBT AND NATIONAL RESOURCES.

The payment of the National debt, which has now become so large, and which is growing with such rapidity, is a subject of absorbing interest to every one, and it is high time that the true principles of taxation, and the real resources of the nation, out of which it must be paid, should be clearly understood. During the first years of the war it was deemed patriotism to shut one's eyes to the expense of it, and so hold out the idea that the national resources were inexhaustable. Hence any one bold enough to raise his voice against the financial policy pursued was considered disloyal, and debt, quadrupled by reason of paper money, was pushed to the utmost limit. Now, however, the country is beginning to see that patriotism consists, rather in battling this wasteful system, than in abetting such measures as must exhaust the national resources before the object of the war can be obtained. Yet the idea is still diligently inculcated by many, and believed by some, that the national means are exhaustless, and that the success of the war cannot be endangered by any measure of extravagance and waste. Believing this error to be a dangerous, yes a fatal one—that it would soon bring us to bankruptcy and repudiation—we have done what we could, from time to time, to expose it, and show the necessity of a speedy return to a sound basis. Yet the Government paper issues are continued, and our debt is being multiplied by reason of them in a fearful ratio, and this is permitted by the country just because writers are found to flatter the people with the idea of our inexhaustible resources.

This idea, too, is encouraged by the further one that a few weeks will bring us peace and union again. Would to God that it might be so! but to manage our finances on the supposition that it will be, is, in the light of the past three and a-half years, wild in the extreme. Yet these twin errors—that the wealth of the country is inexhaustible, and that peace will very soon be declared—are deceptions that are helping one another, and if persisted in, and allowed to continue to give shape to our financial policy, can bring nothing but disaster.

Let us, then, for a few moments, look at this question of payment of our national debt, and see out of what it must be paid, if at all. And in doing this we may repeat some things said in our article of last month, in reply to the correspondent of the *Times*: but the subject is one of so much importance—involving really our national honor—and such incorrect notions are being disseminated by those who should know better, that we deem it a sacred duty to the country to expose the fallacies of the day.

The first great governing truth, then, we should remember, is that the national debt must be paid out of the national income; and the second is that our national income consists in the amount produced by the individuals composing the nation, less the amount consumed by them. Hence, therefore, the ability to pay can be increased only by increasing the amount produced, or decreasing the amount consumed. These propositions appear so plain and self-evident that one would think none could be found to doubt them. Yet superficial thinkers, instead of enquiring into the yearly income of the nation, to see what we as a people can pay, appeal to vague estimates of the prospective value of mines and other property, and start new theories, with the expectation of obtaining two golden eggs where there was but one before. One writer will thus point to our mineral resources, and say, with apparent sincerity, is there not within the very earth itself, many times the gold to pay our debt with! Surely there is; and the simple-minded man might also have added that the earth contained a greater source of wealth than even its gold—the richness enabling it to afford nourishment necessary for innumerable bushels of wheat and corn and oats. But can we sell those crops before we have raised them, or can we pay out the gold before it is mined? Furthermore, have we not been producing both gold and crops, heretofore, as fast as we could, with the capital and labor we possessed? Remember, too, that this same gold and richness was there when the Continental dollar was valueless; and for the same reason, the fact of their being such wealth in the earth now, will never add a cent towards the security of our debt, if the annual payments of interest, &c., more than equal the amount of our national savings from these and other sources. The mines are only of value to the nation for the amount of wealth they annually produce, over and above the expense of production.

Other writers take the money value of all the property in the country as evidence of ability to pay, and the unthinking public are caught by such a display. Thus we are informed that although the debt is $2,000,000,000, and may possibly be $4,000,000,000 before the war is terminated, yet the wealth of the country is $16,159,000,000—meaning the census value attached in 1860 to all the land, slaves, utensils, buildings, ships, machinery, waterfalls, factories, railroads, public debt, incorporate capital, &c., in the whole country. A Mr. Wells has recently published a pamphlet called "Our Burden and our Strength," in which he assumes that this nominal wealth is a means of paying the debt. Yet there never was a conclusion more unsound. For instance, a little reflection will show any person that 4,000,000 black slaves, whose money value is, by the census, $2,160,000,000 of the above aggregate, can in no manner be applied to the payment of the public debt, except by the wealth they may annually produce after paying out of it the cost of their support,

the expense of the plantation, &c. In some years there is no surplus, and the planter's capital is diminished; while in others there is much. But for Mr. WELLS, or anyone else, to parade the nominal money value of these blacks (one-eighth of the whole aggregate value) as a resource for the payment of the debt now being contracted, is too much, we should fancy, for the credulity of anyone.*

And if this is the case with the blacks, is it in any way different with regard to the value of the lands they cultivate, which lands are also estimated at $4,000,000,000, in this grand aggregate from the census of $16,159,000,000? Clearly not. The only value of those lands consists in the annual production which the black labor draws from them. That value, in 1860, was, per census: Naval stores, $3,695,474; rice, $2,207,148; tobacco, $21,074,038; sugar, 31,455,241; cotton, $204,128,493: making a total production of $262,560,394, by 4,000,000 slaves, or $65 64 per head. But it costs $75 per annum to support the hand, and this, therefore, gives a loss of $10, which is made up by other productions, such as food, &c. In some years there is, no doubt, a surplus. But this is first applicable (unless the plantation is to decrease in value each year) to the improvement of land, the construction of fences and houses and roads, and to the increase of machines, implements, furniture, &c.; and then the remaining balance is the fund out of which the payment of town, county, state and federal taxes must be made. At the North the value of land has also acquired great proportions (and is so put down in the census estimate), because the labor of settlers, by the aid of machinery, has drawn from it a very large annual supply of produce; and out of the surplus, after the support of the family, the repairs of fences and buildings, their extension, &c., have been defrayed. The nominal value of the land, from which the produce has been drawn, is no more applicable to the payment of the present debt, than it was to the expenses of the revolutionary war.

In this country almost within the memory of some of its inhabitants, the land (now thickly settled) has been a wilderness, but has gradually been reclaimed from the domination of the savages by the patient industry of poor emigrants. Most of these have gone on to land, which they cleared and planted, suffering every privation until the first crops were grown, and Indian corn has been the main dependence of them all. It grew early and easily, and at once gave food to man and beast. The

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* This same Mr. WELLS, for the purpose of showing how *little* a burden the debt is, calls the amount of it $1,750,000,000, and then says, it is *only* equivalent to $72 92 for each person. In other words, every family in the land (counting five to each family) owed, through the general government, $364 60 when the debt was only $1,750,000,000, and, on the first of January, will owe about $600. This at six per cent would make $36 interest for each family to pay each year; and if we add to this the probable peace expenses of the government (which we have shown would be as much more), it would make $72 as the annual payment of each family to the United States Government if the war was closed the first of January! Now, let Mr. WELLS do one more sum—let him tell us how many families there are in the country able to pay $72 a year taxes—and if he does it correctly, he will find that he has made the most discouraging and startling estimate of "our burden and our strength" any of us have seen.

patient settler was also enabled to save something of the first years crop and purchase comforts. Gradually the log hut was changed for a "shingle palace." Trees grew, cattle multiplied, and furniture was bought. In this manner his industry of many years at length gave an air of wealth about him, because the land being productive, and there being no rent or taxes to pay, all his surplus went on to his farm in the way of improvements. Thus the farm, which was worth nothing when he went upon it, is now estimated at a value of $10,000. The real value in a national point of view, however, consists only in the surplus the farmer sells. The most of his year's labor is to provide food for his family and animals, but whatever surplus there is, if any, he will sell, and with the proceeds improve his farm and purchase tea, coffee, clothing, and other supplies, and pay his medical bills, local taxes, etc. The remainder, and only the remainder, is a part of the national savings out of which the debt can be paid.

In like manner the railroads that cost $1,000,000,000, the ships that cost $300,000,000, the buildings that cost an immense sum, the factories full of machinery, are applicable to the payment of taxes only in so far as their surplus profits go. That surplus has a well defined limit.

As one more instance, take the Illinois Central Railroad. That road is the result of three years labor of ten thousand men, representing probably seven thousand families of five persons each. These families consumed, while the work was in progress, three million bushels of grain, and potatoes worth $4,000,000, and $500,000 worth of manufactures; and the iron was bought with grain shipped to the extent of $4,000,000 more. Thus that road is the accumulation of a large amount of land products and labor, and in the census aggregate is put down at its full cost. Evidently, however, it is not available for any purpose of taxation beyond what its revenue will give above the expense of working.

Thus we might go on indefinitely illustrating that it is only to this surplus revenue, to the national income, we can look for the means to pay our debt. It is worse than folly at such a time as this to parade the census value of all this property, or to point to our mines and declaim upon our boundless wealth. We have been and are a greatly favored nation, and unless production becomes so fettered by debt and taxation, as to prevent our national growth, a future of great prosperity awaits us. But from what we have already said it is evident there is a limit to our ability to pay taxes. A child can see that if the poor emigrant, when he first went on to his land, had been called upon to give any portion of his first years crop to the general government directly, or if he had been compelled to give it indirectly, by reason of a tax on manufactures, which would require him to pay an additional sum for his winter clothing, he would have had less left to improve his new home with. And if those taxes, direct or indirect, should become so heavy as to make it impossible for him to pay them and spend anything on his land, his enterprise would of necessity be soon given up. It becomes then a question of the first importance how much interest can we meet without crippling production.

To measure accurately the net income of the nation is of course impossible, and yet through the census we can approximate sufficiently near for the purposes of this inquiry. In our last number we gave the savings of the Northern States up to 1860 at $2,632,709,497, from this we concluded that the annual savings for the ten years, from 1850 to 1860, could

not have been more than $60,000,000 a year. Such then is probably the amount of the actual savings of the Norther States in 1860. Of course, however, it does not follow that we can pay but $60,000,000 additional taxes, or that if the federal taxes in these Northern States had amounted to $60,000,000 more than they were in 1860, there would have been no accumulation that year, since the necessity of paying such taxes would have and will induce greater economy. Economy, however, means decreased consumption, and must therefore react injuriously on production. Of course if every man in saving money to pay his taxes buys one coat less, there is so much less produced and also so much less profit to the manufacturer and merchant. Economy, therefore, causes not only decreased consumption but decreased production and decreased national profits. But to what extent that economy can be carried without destroying the productive interests of the country is the important question.

We have from the census report prepared with great care the following table of the probable profits of the whole country from all sources during 1860:

NATIONAL PROFITS DURING 1860.

From agricultural productions	$100,000,000
From industrial products	125,000,000
For stocks except manufacturing which are included above	55,000,000
For mines, fisheries, and carrying trade	50,000,000
Total profits North and South	$330,000,000

This is the fund out of which the farmer buys his clothing and agricultural implements, repairs and enlarges his buildings, and pays his taxes.

And in 1860, as we have stated above, all of this sum that was earned in the Northern States was thus and otherwise expended, except $60,000,000 which was laid up. To this fund, then, and this alone we must look to pay our debt. The strictest economy could not increase our tax paying ability beyond the amount of these profits. Besides, out of them must first be allowed sufficient for the emmigrant to buy the necessary farming implements and improve his farm, or, as we stated before, he will soon give up his enterprize; and all classes will require sufficient of their income left them to provide for their family wants, or their labor will be in vain. The balance, after paying these necessary expenses, measures the extent to which economy may be carried. Is then this fund sufficient to allow us to throw away anything more by further uses of paper money? And do not these figures furnish a sad commentary on the acts of those, who have heedlessly increased our debt, yes wasted our resources, and are still doing so, by their paper issues?

The expenses of Government after peace is restored were estimated by Mr. CHASE in his last annual report, page 12, at $178,838,010, as follows:

Interest	$85,587,676
Civil service	37,604,499
Army and navy	55,845,834
Total	$178,838,010

These estimates are however clearly unreliable. The debt is now $2,000,000,000, and will be at least $2,500,000,000 by the first of Janu-

ary. If, therefore, we have peace at that time the annual expenses of Government would be about as follows if our finances were ably managed:

Interest on the debt at six per cent	$150,000,000
The pension list will now reach at least	50,000,000
Army and navy	75,000,000
Civil service	35,000,000
Total	$310,000,000

These estimates of the expenses of the Government after the war are, we believe, less than can be expected without the strictest economy. Then, besides this, we have largely increased city, county, town, and State taxes. An idea of the extent of this latter burden may be gathered from the expense of raising this last call of five hundred thousand men; cities and counties having paid a bounty of from $500 to $1,000 for each man. If we estimate the average bounty paid at only $600, we have an aggregate debt of $300,000,000 incured for this one purpose.

Thus we see that if the war is closed by the first of January, there will be from three to four hundred million dollars of taxes to be paid without mentioning the amount required for the sinking fund. Previous to the war we paid in taxes about $70,000,000, leaving at least $300,000,000 additional to be raised hereafter out of our national income simply to pay our current expenses and interest.

To add to the force of these figures would be impossible. They speak more earnestly than anything we could say of the wretchedness of our past policy and the importance of the future. Clearly our resources are not inexhaustible, and he who preaches such a doctrine is, we had almost said, the worst enemy the country can have; for he encourages a system that can but lead to national dishonor.

THE COMMERCIAL PROGRESS AND RESOURCES OF CENTRAL BRITISH AMERICA.

THE LAKE WINNIPEG AND SASKATCHEWAN DISTRICTS.

By Henry Youle Hind, M.A., F.R.G.S., Trinity College, Toronto. (Read before the Statistical Society of London, 19th January, 1864.)

[Continued from Page 192.]

VI.—*Communication with Central British America.*

The questions which relate to the facilities for communication between the Lake Winnipeg basin and this country, through British or American territory, and the extension of that communication across the Continent to the Pacific, may now be discussed.

It has already been stated that, with the single exception of 200 miles of road traversed by well appointed stage coaches, the communication

from Liverpool to Fort Garry, or indeed the grand falls of the Saskatchewan, can be made by steam.

The successive steps in this route are as follows:

	Days.
1. Liverpool to Quebec, steamer	10
2. Quebec to La Crosse, railway	3
3. La Crosse to St. Paul, steamer	1½
4. St. Paul to Fort Abercrombie, stages	3½
5. Fort Abercrombie to Fort Garry, steamer	4
	22

The following route is also practicable:

1. Liverpool to Superior City by steamer.
2. Superior City to Fort Abercrombie, road.
3. Fort Abercrombie to Fort Garry, steamer.

The present difficulty of this route is the nature of the road between Superior City and Crow Wing, which, being cut through a wooded country, is still, in the language of the country, rather "rough" as yet.

The next link in a route across the Continent is from Fort Garry to the New Westminster, in British Columbia. And in order to illustrate the singular and wholly unexpected topographical facilities which exist in the basin of Lake Winnipeg, the Rocky Mountains, and British Columbia for commercial intercourse, I shall venture to describe, in as brief a manner as possible, the journey of the Canadian emigrants of 1862 through that vast extent of country. My brother, Mr. William Hind, who accompanied me on an exploration into the interior of the Labrador Peninsula in 1861, went with this party for the express purpose of sketching the passes through the Rocky Mountains and all natural features on the line of route.

VII.—*The Canadian Emigrant Route across the Continent.*

The Canadian emigrant party assembled at Fort Garry in June, 1862, travelling thither by Detroit, La Crosse, St. Paul, and Fort Abercrombie, by rail, stage and steamer. At Fort Garry they separated into two parties; the first division contained about one hundred emigrants, the second division, sixty-five persons in all. The first party took the northern route, by Carlton to Edmonton, the second, the southern trail. At Edmonton they all changed their carts for horses and oxen, and went thence in a straight line to the Leather Pass (lat. 54°), through which they took 130 oxen and about 70 horses. They suddenly found themselves on the head waters of the Frazer river, and so gentle was the ascent that the only means they had of knowing they had passed the divided ridge of the Rocky Mountains was by unexpectedly observing the waters of the rivers flowing to the westward. When in the mountains, they killed a few oxen for provisions; others were sold to the Indians at Tête Jaune Càche, on the Frazer, and others were *rafted* down the Frazer to the forks of the Quesnelle.

At Tête Jaune Câche a portion of the party separated from the rest, and, with fourteen horses, went across the country, by an old well-worn trail, to Thompson's River, and thus succeeded in taking their horses from Fort Garry, through the Rocky Mountains, through a supposed impassable

part of British Columbia, to the wintering station on Thompson's River for the pack animals of the British Columbia gold seekers. With this party of more than 150 people were a woman and three little children. The little children were well cared for, for the emigrants took a cow with them, and these infant travellers were supplied with milk all the way on their long journey to the Leather Pass in the Rocky Mountains. I look upon the successful journey of the Canadian emigrants of 1862, across the Continent, as an event in the history of Central British America of unexampled importance. It cannot fail to open the eyes of all thinking men to the singular natural features of the country which formed the scene of this remarkable journey. Probably there is no other continuous stretch of country in the world, exceeding 1,600 miles in length, and wholly in a state of nature, which it would be possible for 150 people, including a woman and three children, to traverse during a single short season, and successfully, and, indeed, easily overcome such apparently formidable obstacles as the Rocky Mountains have been supposed to present.

The Leather or Miette Pass lies in latitude 54°, and has long been known to the employés of the Hudson's Bay Company, and is called by them the "Old Columbia Trail" or "Jasper Pass." It will be observed that it forms an immediate and direct connection with the great artery of British Columbia, namely, the Frazer river. The other passes to the south connect with the Columbia river, which flows for many hundred miles through Washington territory. It will not fail to be noticed, too, that the existence of this route, *via* the Leather Pass, has only very recently appeared on published maps. It is shown on ARROWSMITH'S map of British Columbia, published in 1860, but the success with which its long established connection with the Frazer was concealed by the late Hudson's Bay Company is a singular instance of the unity of purpose which has pervaded all the actions of that powerful corporation, during their long tenure of absolute control over a portion of British America, containing more land suitable for the abode of man than the province of Canada itself, and which has already cost in its defence from agression many millions of money and many thousands of lives. It seems remarkable that the Leather Pass, and its easy connection with the Frazer river, escaped the attention of the exploring party sent by the British Government, under Captain PALLISER, in 1857, 1858 and 1859. If the existence of this unobstructed communication between the Athabaska valley and British Columbia had been made known to the world as one of the results of that expedition, probably long ere this the British Government would have taken measures to establish a separate Government in Central British America, and open a communication across the Continent through British territory. Dr. HECTOR actually passed the "Old Columbia Trail," but neither his guides nor the people at St. Ann's or Edmonton appear to have informed him of its existence. Fortunately the Leather Pass has now been traversed by men, a woman, children, and numerous oxen and horses. The Frazer river has been safely descended for 400 miles from its source, in canoes and on rafts, by a very numerous party, and it has been *ascended* in a boat from Cariboo to the Tête Jaune Câche; and from this last-named place there is a well known trail for horses to the Thompson's river, and thence to New Westminster, which has also been traversed by Canadian emigrants with horses; and more recently, according to

Victoria papers, by Lord MILTON, with thirteen horses. The difficulties of the Rocky Mountains have, in great part, melted away, and the "impossibilities" of the overland route have vanished, just as the "uninhabitable deserts and swamps" of the Saskatchewan have given place to boundless fertile prairies, which will probably become—even in our generation—the seat of an enterprising and prosperous people.

VIII.—*Comparison between British and United States Routes across the Continent.*

Not only is the track of the Canadian emigrants suggestive as to the nature of the country they traversed so easily, but in comparison with the explored routes for a Pacific railway within the limits of the United States it assumes a new importance. The present President of the Southern States, when Mr. Secretary DAVIS, summed up the comparisons of the different routes in the United States, as regards the character of the country they traverse. The following is an abbreviation of the summary:

	Miles.
Route near the 47th and 49th parallels, from St. Paul to Vancouver	1,864
Number of miles through arable land	374
Number of miles through land generally uncultivable, arable soil being found in small areas	1,490

The greatest number of miles of route through arable land on any one of the lines surveyed is 670 miles, in a distance of 2,290 miles. The least number of miles of route through generally uncultivable soil is 1,210, on a line of 1,618 miles in length, near the 32nd parallel.

From the Lake of the Woods, or from Pembina, a line in British territory instead of passing through a desert incapable of supporting human life, would traverse a fertile belt of country, averaging 100 miles in breadth, fully able to sustain five times as many people as Canada now possesses, and leading directly towards the lowest and by far the most facile pass in the Rocky Mountains.

The arid region of the Missouri valley commences west of the 100th degree of longitude divides the United States into two nearly equal parts on the 40th parallel of latitude. The eastern half is the present fertile and peopled part of the country. The western half is a comparative desert all the way to the Pacific.* It is in comparison with this immense

* The cause of the aridity and unfitness for settlement of fully one-third of the United States has been ably discussed by distinguished meteorologists. This remarkable feature, extending over a portion of the American continent within the limits of the United States of more than 1,000,000 square miles in area, is highly important in relation to the valley of the south branch of the Saskatchewan, to a large part of which the same peculiarity belongs. The physical geography of the arid region in the United States has been very admirably described by Dr. JOSEPH HENRY.*

* "Meteorology in its Connection with Agriculture," by Professor JOSEPH HENRY, Secretary of the Smithsonian Institution.

desert that the fertile belt at the edge of the woods, stretching in the Saskatchewan valley from the Lake of the Woods to the Rocky Mountains, stands out in such surprising contrast. The cause of this exceptional character is, in great part, due to the drift deposits which cover the fertile belt. There is, therefore, a geological as well as a climatological reason. Sixty thousand square miles of arable land in Central British America mark out the true pathway across the Continent, which alone is capable of sustaining an efficient means of communication, whether in the form of a stage road or ultimately of a railway, by the growth of a local population. But the favorable comparison does not rest here. The mountain region, which offers such a difficult barrier to communication between the Pacific and the valley of the Mississippi, possesses peculiarities in British America which are in themselves of a very striking character, and quite sufficient to establish the line of route, cutting diagonally the 50th, 51st, 52nd and 53rd parallels, as far superior in point of physical conformation

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"The general character of the soil between the Mississippi river and the Atlantic is that of great fertility, and as a whole, in its natural condition, with some exceptions at the west, is well supplied with timber. The portion also on the western side of the Mississippi, as far as the 98th meridian, including the States of Texas, Louisiana, Arkansas, Missouri, Iowa, and Minnesota, and portions of the territory of Kansas and Nebraska, are fertile, though abounding in prairies and subject occasionally to droughts. But the whole space to the west, between the 98th meridian and the Rocky Mountains, denominated the Great American plains, is a barren waste over which the eye may roam to the extent of the visible horizon with scarcely an object to break the monotony.

"From the Rocky Mountains to the Pacific, with the exception of the rich but narrow belt along the ocean, the country may also be considered, in comparison with other portions of the United States, a wilderness unfitted for the uses of the husbandman; although in some of the mountain valleys, as at Salt Lake, by means of irrigation, a precarious supply of food may be obtained sufficient to sustain a considerable population, provided they can be induced to submit to privations from which American citizens generally would shrink. The portions of the mountain system further south are equally inhospitable, though they have been represented to be of a different character. In traversing this region, whole days are frequently passed without meeting a rivulet or spring of water to slake the thirst of the weary traveler.

"We have stated that the entire region west of the 98th degree of west longitude, with the exception of a small portion of Western Texas and the narrow border along the Pacific, is a country of comparatively little value to the agriculturist; and, perhaps, it will astonish the reader if we direct his attention to the fact that this line, which passes southward from Lake Winnipeg to the Gulf of Mexico, will divide the whole surface of the United States into two nearly equal parts. This statement, when fully appreciated, will serve to dissipate some of the dreams which have been considered as realities as to the destiny of the western part of the North American continent. Truth, however, transcends even the laudable feelings of pride of country; and in order properly to direct the policy of this great confederacy, it is necessary to be well acquainted with the theatre on which its future history is to be enacted, and by whose character it will mainly be shaped."

to any other lines of route which have been explored in British America or the United States.*

The candid opinion of Professor JOSEPH HENRY regarding the adaptation of a large portion of the United States for settlement is confirmed and strengthened by the following excellent summary, from the pen of Major EMORY of the United States and Mexican Boundary Commission. It will at once occur to the reader that a knowledge of these facts gives great additional value to the truly fertile valleys of Red River, the Assiniboine, part of the Qu'appelle, and portions of the south and north branches of the Saskatchewan. It determines also the direction in which efforts should be made to people this great wilderness, and guide the progress of settlement in such a manner as will render the country available for that grand desideratum, a route across the Continent:

"In the fanciful and exaggerated description given by many of the character of the western half of the Continent, some have no doubt been influenced by a desire to favor particular routes of travel for the emigrants to follow; others by a desire to commend themselves to the political favor of those interested in the settlement and sale of the lands; but much the greater portion by estimating the soil alone, which is generally good, without giving due weight to the infrequency of rains, or the absence of the necessary humidity in the atmosphere, to produce a profitable vegetation. But be the motive what it may, the influence has been equally unfortunate by directing legislation and the military occupation of the country, as if it were susceptible of continuous settlement from the peaks of the Alleghannies to the shores of the Pacific.

"Hypothetical geography has proceeded far enough in the United States. In no country has it been carried to such an extent, or been attended with more disastrous

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* Table of comparison between the different passes in the Rocky Mountains, in the United States and in British territory, north of latitude 38°:

	Altitude of Pass. Feet.
United States—	
Surveyed route between the 38th and 39th parallels of latitude..	10,032
Route between the 41st and 42nd parallels.....	8,373
" 47th and 49th "	6,044
British territory—	
Kananaski Pass, from the South Saskatchewan to the Kootanie river.....	5,985
Kicking Horse Pass, from South Saskatchewan to the Columbia..	5,420
Vermillion Pass, from the South Saskatchewan to the Kootanie river.....	4,944
"Old Columbia Trail," or Leather Pass, from the Athabaska to the Frazer—the Canadian emigrant route—probably below.	4,500

The breadth of country forming a continuous mountain region is far greater in the United States than in British America. The United States is crossed by three great systems of mountains, extending generally from north to south. The first system, beginning with the Sierra Madre, and terminating in the Black Hills of Nebraska territory, is partially gorged by the Rio Grande, completely cut through by the North Platte and the Sweet Water Rivers, and turned by the Missouri. It does not extend into British America. The total breadth of mountainous country, in the proper acceptation of the term, within the limits of the United States, varies from 500 to 900 miles. In British Columbia, the distance is not more than 380 miles from the Leather Portage to the Pacific, and the distance, in an air line from the Leather Portage to the extremity of Belhoula inlet, the possible terminus, of a route, does not exceed 400 miles.

consequences. This pernicious system was commenced under the eminent auspices of Baron HUMBOLDT, who, from a few excursions into Mexico, attempted to figure the whole North American Continent. It has been followed by individuals to carry out objects of their own. In this way it has come to pass that, with no other evidence than that furnished by a party of persons travelling on mule back, at the top of their speed, across the Continent, the opinion of the country has been held in suspense upon the subject of the proper route for a railway, and even a preference created in the public mind in favor of a route which actual survey has demonstrated to be the most impracticable of all the routes between the 49th and 32nd parallels of latitude. On the same kind of unsubstantial information, maps of the whole Continent have been produced and engraved in the highest style of art, and sent forth to receive the patronage of Congress, and the applause of geographical societies at home and abroad, while the substantial contributors to accurate geography have seen their works pilfered and distorted, and themselves overlooked and forgotten. * * *

"The plains or basins which I have described as occurring in the mountain system, are not the great plains of North America which are referred to so often in the newspaper literature of the day, in the expressions, 'News from the Plains,' 'Indian Depredations on the Plains,' &c.

"The term 'plains,' is applied to the extensive inclined surface reaching from the base of the Rocky Moutains to the shores of the Gulf of Mexico and the valley of the Mississippi, and form a feature in the geography of the western country as notable as any other. Except on the borders of the streams which traverse the plains in their course to the valley of the Mississippi, scarcely anything exists deserving the name of vegetation. The soil is composed of disintegrated rocks, covered by a loam an inch or two in thickness, which is composed of the exuviæ of animals and decayed vegetable matter.

"The growth on them is principally a short but nutritious grass, called buffalo grass (*Systeria Dyctaloides*). A narrow strip of alluvial soil, supporting a coarse grass and a few cotton wood trees, marks the line of the watercourses, which are themselves sufficiently few and far between.

"Whatever may be said to the contrary, these plains west of the 100th meridian are wholly unsusceptible of sustaining an agricultural population, until you reach sufficiently far south to encounter the rains from the tropics.

"The precise limits of these rains I am not prepared to give, but think the Red River (of Louisiana) is, perhaps, as far north as they extend. South of that river the plains are covered with grass of larger and more vigorous growth. That which is most widely spread over the face of the country is the grama or mezquite grass, of which there are many varieties. This is incomparably the most nutritious grass known."*

IX.—*Communication between Canada and Central British America.*

In Canada we are separated from the fertile part of Central British America by six degrees of longitude, which must be traversed before we can reach the edge of the fertile belt. This barrier has frequently been upheld as an insuperable objection to a practicable commercial communication between Canada and Central British America, in the absence of correct knowledge of the physical features of the country. The utmost length of the barrier which requires the construction of a road scarcely exceeds 200 miles. From its western extremity there is an unobstructed navigation, with but one break, to the edge of the fertile prairies of Central British America *via* Rainy River and the Lake of the Woods; and its eastern extremity is connected uninterruptedly with the sea by the great lakes and the St. Lawrence. The highest point over which the road from

* "Report on the United States and Mexican Boundary Survey, made under the direction of the Secretary of the Interior," by WILLIAM H. EMORY, Major First Cavalry and United States' Commissioner. Washington, 1846, pp. 43–47.

Lake Superior to the northern indent of Rainy Lake must pass is not 900 feet above Lake Superior; and for the first 30 miles it would traverse a country susceptible of tillage for several miles on either side, and part of it already occupied by settlers. Then follows a sudden rise, marked by the great drift bank of Dog Lake, which forms the eastern limit of a drift-covered country stretching in a north-east and south-west direction, and having a breadth of about 90 miles where the road would cross it. This accumulation of drift covers the height of land to a depth certainly exceeding 150 feet, as shown by the hills at the summit level at Prairie Portage, 885 feet above Lake Superior, and the highest point on the line of road. There are no serious physical impediments to overcome between Lake Superior and the northern indent of Rainy Lake, either for a waggon road or a railway; and this short link of 200 miles completed, the distance between Fort William on Lake Superior and the commencement of the arable prairies of the valley of Red River would be reduced to 200 miles of road or railroad, and 180 miles of steam navigation. Here, then, we see no formidable impediments, which an impression derived from the custom of traversing the country in canoes through the rocky channels of rapid rivers or hill-embosomed lakes had created in the minds of the few who have traversed that region;—impressions which have been too readily accepted by the public at a time when no particular commercial interests were at stake, except those of the fur trade, and when a policy diametrically opposed to that now entertained by the existing Hudson's Bay Company was pursued with singular success by their predecessors.

X.—*Communication via Hudson's Bay.*

In contemplating the future of Central British America one important feature appears to be neglected, if not entirely overlooked. While Lake Winnipeg is 2,500 miles from the sea board of the Gulf of St. Lawrence, and lies exactly in the centre of the American Continent under the 51st parallel, its northern extremity is only 380 miles from the tide waters of Hudson's Bay.

The mouth of the Saskatchewan is as near to the open sea as Fort Garry is to the western extremity of Lake Superior. The passage from Norway House, at the northern extremity of Lake Winnipeg, to Hudson's Bay is made in nine days with loaded boats. It is not unreasonable to suppose that by the introduction of tramways over the portages the journey may be made in four days, thus bringing Lake Winnipeg within four days of the sea, yet the nature of the communication now followed is such that it would not admit of vessels much larger than freighters' boats being employed. The navigation of Hudson's Bay for sailing vessels is safe for a period not exceeding six weeks—for steamers it may be double that time. Hitherto the mode of communication adopted by the fur traders between Norway House and Hudson's Bay has been sufficient for the exigencies of the fur trade; it is not at all improbable that more easy means of communication with the sea board exists than those which are now pursued. Under any circumstances it is a fact of the highest importance that Lake Winnipeg is actually within a week's journey of the ocean, over a natural road by which troops have already entered and departed from Central British America. It is more than probable that whenever the necessity arises, the communication between Lake Winnipeg and Hudson's Bay,

and thence to the Atlantic, by the aid of steamers, will be made easy and speedy for at least three months in the year.

The outlet by which the waters of the Saskatchewan and Lake Winnipeg reach the sea is Nelson River. The chief reason which induces the Hudson's Bay Company to send their cargoes of furs to York Factory by Hayes River is stated to be the difficulties and dangers of the tracking ground on the banks of Nelson River, arising from impending masses of ice on the precipitous banks. The head of tide-water in Nelson River may yet become the seat of the Archangel of Central British America, and the great and ancient Russian northern port—at one time the sole outlet of that vast empire—find its parallel in Hudson's Bay.

XI.—*No other Area suitable for Extensive Settlement in British America besides the Lake Winnipeg and Saskatchewan Districts.*

Let it be observed that one great fact can be no longer overlooked, viz., that there is no other unoccupied part of North America, "whatever may be said to the contrary," other than the Lake Winnipeg and the Saskatchewan districts, where the establishment and growth of a new nation is possible. The same aridity which renders the United States a desert west of the 100th degree of longitude converts many of their great rivers, so prominently marked on the maps, into detached ponds during the summer season,* while the Saskatchewan, which flows from west to east across the basin of Lake Winnipeg, is navigable far above Carlton during six weeks in the year for steamers of shallow draught; in spring and autumn it is not navigable further than Carlton. It is important to bear in mind that the Saskatchewan attains its maximum in July, and before and after that month its waters are considerably lower than during its "summer rise." This fact will account for the difficulties in navigating the Saskatchewan, which have been described by travellers as occurring in the spring or autumn, *before* the melting snows of the mountains reach Edmonton, or *after* they have passed it on their way to the sea.

XII.—*The Progress of Minnesota, Dekotah and Nebraska.*

The State of Minnesota and the territories of Dakotah and Nebraska border on the districts of Lake Winnipeg and the Saskatchewan. Minnesota was organized as a territory in 1849, admitted into the Union as a State in 1857, and, with an area of 83,531 square miles, it has now a population exceeding 200,000 souls.† The census valuation of the real and personal property in the State in 1860 was $52,294,413. The State income for eleven months in 1861 was $106,462, and the expenditure for the same period was $110,732.

In 1863 the projected railroads in this frontier State extended over 1,167 miles, and the sum already expended on them at that date (1st January, 1863), was $3,200,000.‡ The quantity of wheat produced in

* See papers by Dr. Joseph Henry, Secretary of Smithsonian Institution, and by Major Emory, of the Mexican Boundary Survey, on this subject. These papers are published in the "Transactions of the Smithsonian Institute," and in the "Report of Mexican Boundary Survey." See also Reports of the Pacific Railway, and Lieutenant Warren's exploration in Nebraska and Dakotah.

† 173,855 by the census of 1860. ‡ "American Railroad Journal."

1860 was 5,101,432 bushels, nearly 3,000,000 bushels of oats, and 3,143,577 bushels of Indian corn.

The contribution of Minnesota to the volunteer army has already reached the following large numbers:—

	Number of Men.
10 regiments of infantry	9,065
1 regiment and 3 companies of cavalry	1,485
2 batteries of artillery	212
2 companies of sharpshooters	195
Total	10,957

These men have all engaged for three years, or for the war. The total number of forces Minnesota has sent into the field since the commencement of the war amounts to 11,887 men. Such are the resources of the new State of Minnesota, bordering on the Lake Winnipeg district. Twelve years since it was for the most part an uninhabited wilderness; now it has sent an army of nearly 12,000 men into the field.

Dakotah territory, which lies west of Minnesota and whose northern boundary is conterminous with part of the districts in British America referred to in this paper, was organized in 1861. Its area is 325,000 square miles. Much of it lies within the limits of the American desert, and will never be peopled with white men. It contains a population of 44,501, of which 39,664 are Indians.

Nebraska territory lies west of Dakotah; in 1860 its population was 28,841, besides 5,072 Indians. The aridity of this territory will for ever prevent it from assuming any great commercial or political importance.

XIII.—*Indian Population in Central British America.*

Great misapprehension exists as to the numbers of the Indian population of Rupert's Land. They do not exceed 40,000 in all. The number inhabiting the prairies and plains of the Lake Winnipeg and Saskatchewan districts do not exceed 20,000 at the present time. Under proper management the Indian would become the most useful and tractable protectors of a telegraph line. Once impressed with the idea that it is something supernatural, they would cherish it, protect it, and reverence it as a "manitou," or superior spirit, exercising a control over their fortunes and even lives.

XIV.—*General View of British America.*

The total population of British America at the present moment approaches four millions, and the quantity of land *available for agricultural purposes* is approximately 267,000 square miles—or more than twice the area of the United Kingdom of Great Britain and Ireland; and equal to France (including Corsica), Belgium, Holland, and Portugal combined.

		Area in Square Miles.	Estimated Population, January, 1864.
New Brunswick	—	27,620	295,000
Nova Scotia and the Island of Cape Breton	—	18,600	352,000
Newfoundland	—	36,000	140,000
Prince Edward Island	—	2,133	95,000
Total area	—	84,353	882,000

Estimated area available for agricultural purposes	52,000	—	—
Upper Canada	—	140,000	1,520,000
Lower "	—	200,000	1,200,000
Estimated area available for agricultural settlement	90,000	—	—
Basin of Lake Winnipeg and Valley of the River Athabaska [Exclusive of Indian population, 40,000.]	—	400,000	15,000
Estimated area available for agricultural settlement	95,000	—	—
British Columbia and Vancouver's Island.. [Exclusive of Indian population, 60,000.]	—	210,000	50,000
Assumed area suitable for agricultural purposes	30,000	—	—
Total area	—	1,084,353	3,667,800
Estimated area available for agricultural purposes	267,000	—	—

Or about nine times the area of Great Britain and Ireland. But throwing out what may be called the inferior and desert portion of this immense territory, we find the area of the agricultural portion to be approximately 267,000 square miles, or as large as France, Holland and Denmark put together, with an aggregate population approaching *four millions.*

Six years only have elapsed since public attention in England and America was first directed to the Lake Winnipeg and Saskatchewan districts. During that period not only has satisfactory evidence been obtained of the existence of mineral wealth, in the form of coal, iron ores, salt, and gold, but there are good scientific grounds for the belief that the original matrix of the auriferous drift will be found to extend far north of the Saskatchewan district, towards and perhaps beyond Lake Athabaska. The Hudson's Bay Company, in the recent report of the committee, state that "they are prepared to meet the wishes of Her Majesty's Government and the spirit of the times, by assisting in the settlement of any portion of the territory which may be fit for it, or by facilitating the transmission of intelligence by post or telegraph, and aiding general communication where it may be practicable to do so."

Who can forsee the importance, or estimate the value of telegraphic communication with our Pacific posts, now that the British Pacific fleet finds a suitable station in our own territory? Now that British Columbia has assumed the position of a gold-exporting colony, and that numerous parties of gold-seekers from the Pacific Slope have already passed to the east side of the Rocky Mountains, and invaded the Saskatchewan valley, like the Indian of American pre-historic times, coming from the west.

From private inquiries which have been made to me recently, I am impressed with the conviction that many of the most prominent citizens in Minnesota are fully alive to the vast importance of the Winnipeg and Saskatchewan districts, and they will spare neither energy or money to continue and increase their commercial intercourse with them. On the boundary line, their military post, Pembina, 65 miles from Fort Garry, is now occupied with United States troops, numbering 350 men. While these will insure the preservation of order among the Indian tribes which

have so recently disturbed the frontier settlements in Minnesota, they will familiarize the Red River people, now numbering 10,000 souls, with all the advantages of commercial intercourse.

I have refrained from making any allusion to the fur trade, which has so long been a source of wealth to the Hudson's Bay Company. The districts in which that lucrative trade can be carried on with increasing profit under judicious management, lie wholly beyond the area whose resources form the subject of this paper. With prompt and energetic action on the part of those who in a measure rule the destinies of this valuable portion of the empire, Central British America will rapidly acquire an important commercial and political status, independently of its being the high road for postal and telegraphic communication between the Atlantic and the Pacific, lying wholly within the jurisdiction and influence of British rule.

THE SANDWICH ISLANDS.*

NUMBER IV.—KILAUEA.

H. B. A.

KILAUEA, the largest active crater in the world, is in the district of Puna, on the south-east coast of Hawaii, and distant from the Bay of Hilo about twenty-nine miles. It has been scientifically described by the officers of the United States Exploring Expedition of 1840, and frequent accounts have been given by visitors at various periods since, no two of which are alike, so frequent and radical are the changes in its appearance.

The ascent, although fatiguing, is not a matter of extraordinary difficulty, and is made in a single day, the elevation being only about four thousand feet above the sea. The native guides, walking beside the horses of visitors, can reach the crater in about twelve hours, although they carry heavy loads, swung in calabashes on poles—*a la Chinois*.

The road for the first three miles from Hilo leads among ferns of all shapes and sizes. There is a collection of these ferns in the Museum of Oahu College at Punahou, near Honolulu, which embraces upwards of one hundred and fifty specimens. The variety and size of the ferns on the road to Kilauea, and the tropical luxuriance of their growth, suggests the rapidity with which the soil of lava islands has been formed. Myriads of these plants die annually, and go to enrich the soil, and as they die a

* The articles, which we have published, of this series (full of valuable information pleasantly conveyed) have been, as it were, preliminary to an article we shall publish in our next number, on the "Sandwich Islands and their Sugar Crop," to which we would call particular attention. The interest of the United States in the Hawaiian Islands must increase each succeeding year as their capabilities and resources become better known, and the importance to our Pacific Coast of the position they hold is more fully realized.—ED. "HUNT'S MERCHANTS' MAGAZINE."

fresh growth is following from their roots, so that the face of the country is always green, while below the leafy sward, that at the distance of six or eight feet from the ground is spread over everything, are vast masses of decayed and decaying vegetable matter. The growth of ferns has evidently been the first throughout these lava islands, although in the older and richer portions they have been supplanted by the grasses. As an instance of the rapidity and spontaneousness of their growth it was noticed that after one of the great erruptions of Mauna Loa, in 1856 or 1859, I am not certain which, the lava was two years in cooling, and yet in the fourth year signs of vegetation were visible. All the older lava streams are covered by a growth of ferns, only surpassed by this belt around the coast in density.

The most remarkable of the gigantic ferns of this belt are the great tree-ferns, with branches four or five feet long. At the foot of these trees is found a soft, feather-like substance, called *pulu*, which forms an article of considerable trade. It is used extensively in California for bedding; and in 1862, 738,000 lbs. were shipped to San Francisco. Those who have used it, however, are substituting hair or straw on account of the unhealthiness of the *pulu*, which, from its heat, has the same ill effects as feathers, and is popularly thought to increase rheumatism. It has been recently exported to China in considerable quantities, and it is not improbable that as the demand from California decreases that from China will increase. The natives are largely engaged in gathering it, and are employed more or less by the Chinese merchants of Honolulu. The Chinese are a singular people, wherever in the East there seems to be an opening for trade in their peculiar staples, there they are to be found collecting necessaries or luxuries for their countrymen at home, and generally are very successful merchants. In all the islands of the South Pacific they are numerous, in Australia there are large communities of them. In San Francisco they have monopolized the trade in several articles of commerce, among which is rice, and none dare compete with them in importing it. They manage to buy it cheaper, and are satisfied with so much smaller profits, that they sell it for less than it costs the American merchant to land it in California. In the Sandwich Islands they are quite numerous, the retail trade of the islands being almost entirely in their hands. Some of them are successfully engaged in sugar-planting, and they have the shrewdness to avail themselves of the best kinds of American machinery. Quite recently, one of the most successful left the neighborhood of Hilo to return to China, taking with him all the machinery of his mill, with the intention of putting it up somewhere in the interior of the Empire. Men like this will accomplish more in introducing the comforts and improvements of civilized life into China than all the efforts foreigners may direct to that end. His success is of the greater importance from the fact that very large quantities of sugar are made in the Southern Provinces, but at an enormous waste of molasses from evaporation, arising from the use of very imperfect machinery. The sugar of Swatow, the great port of export for that commodity, is damp and black with molasses. With the centrifugal machinery for drying it could be made equal in color to the best. As an instance of the ability and secrecy with which they conduct their trade, it is noticed that many of the natives of Hawaii are engaged in collecting a fungus which grows on decaying

trees, and which the Chinamen ship in considerable quantities (300,000 lbs. a year), and yet none of the white merchants of Honolulu have ever shipped a single pound, nor can they tell what profit the Chinamen obtain for the article; their only knowledge being that it is used as an article of luxury, like the bird's-nests of Malacca, and the shark's fins and fish-maws collected by Chinamen on the African coast, or the sea-slug *beche-de-mar*, obtained in the Islands of the Pacific. Indeed, throughout the world, trade in these peculiar commodities is entirely in the hands of Chinese, they alone possessing the necessary facilities for selling them in the interior of the Empire.

Leaving the region where ferns are the only growth, the road to Kilauea winds through a belt of forest land, about four miles broad, which skirts the Eastern side of the island, and runs partially around the Southern and Western. Here the road is but a sheep-walk, leading often through such a dense growth of weeds and ferns, ten or twelve feet high, as to make it difficult to see anything of the surrounding forest. Wherever glimpses are caught of it, the eye is pleased with the strange and wonderful tropical plants that spring up on every side. Conspicuous among them is the beautiful ohia-tree, which looks like one of our own hickories, except that it is covered with a brilliant red flower, and clusters of snake-like vines run up the trunk. The tutui, or candle-nut tree, is almost as common as the ohia, and quite as beautiful in its way. Many of these are transplanted to the towns and villages, where they make excellent shade trees, not attaining any great height, but spreading like the larger kinds of cherry or chestnut. From the nut of this tree, as its name implies, the natives make their tapers, by stringing them like beads. Another curious tree, very abundant in these forests, is the lauhala-tree, the roots of which grow above ground for four or five feet, being with the trunk as gnarled and ugly as those of any tree in existence. The leaves are shaped like rushes, and stand out around the fruit like the cloak of a New Zealander, or a Chinese Coolie, and are equally impervious to the rain. Commend us to a lauhala-tree in times of thunder-showers. Occasionally the Pride of India, the Koa and the Sandal-wood are seen, but not often, especially the last, as the active demand for it in former times did not allow many to escape. The cocoa-nut palm and the wild banana-tree are sometimes found, the former shooting upwards with a curve in its earlier growth like that of a rocket in its first flight, and the latter attaining a height of twenty feet or more. It is singular that the African Palm ("La Palma real," of the Spanish West Indies,) has not been introduced on these Islands. There is only one specimen, I believe, and that occurs in a private garden in Nuaanu Valley. Tropical scenery scarcely seems complete without this lordly tree. A plant, which cannot be correctly styled a shrub, yet which never attains to the dignity of a tree, the Tī-plant, is quite abundant, especially on the out-skirts of the forest, furthest from the coast, where the road leads through wild plantations of them, two miles or more in extent. The roots of this plant are said to be very nutritious, and are cooked by the natives, although not a favorite dish with them. In times of famine, which, Heaven help them! will occur in the most favored lands, if man is lazy and improvident, the roots of the Tī-plant have saved many from starvation. The general use, however, is to obtain an intoxicating liquor like arrack, manufactured somewhat in

the same manner, the effects of which rival those of opium in lasting injury to the system. A wild plantation of these bushes without branches is a pleasing sight; the stalk is of the thickness of two fingers, rough and mottled like calamus root, and growing nearly straight to the height of eight or ten feet. Here it bursts out into leaves, broad and glossy, which hang gracefully like those of the palm-tree.

After leaving the forest and its belt of Ti-plants, the character of the road changes, and leads through a tract of country, several miles in extent, where lava-rock is the only noticeable feature. This rock, although a dozen miles from the volcano, shows signs of having been formed by some overflow within the century. Those who have examined the country critically say that it has come from Mauna Loa, on the side of which Kilauea is situated. It has all the waves and eddies of a moving mass distinctly marked on its surface. In many places appear pools and eddies, where a level space has allowed a short accumulation; while, further on, the stream has leaped down some precipice, and crusted the rock it passed over, as ice will form on some northern waterfall. These signs warn the traveller that he is approaching the volcano, but he will look in vain for any other sign of its proximity. If the orthodox school-boy idea of a volcano, such as geographies for a century past have impressed on all minds—that of a cone, smoking at the top like a burning hay stack—be present to his imagination, he will surely be disappointed, for the road carries the visitor within a hundred yards of the brink before he is aware of the proximity of the crater.

It is a sight to be remembered.

Looking below, almost under the feet, is a vast black lake, 800 feet beneath, and bounded by lofty walls of lava-rock. This lake stretches for miles, and the opposite walls, nearly four miles away, bound the horizon. If seen for the first time at night, under the dim light of the moon as she bursts from time to time through the clouds, the lake appears boundless; its outline is magnified until it seems to swallow up the landscape, and the distant shores appear as if they were the natural horizon. Miles and miles away there is a bright, red, and fitful light cast on the clouds from that awful pit, for which the ancient Hawaiians had such a dread as the abode of the goddess Pelé. Now and again the fires leap up and illuminate the great lake for a long distance from the pit, but unless Pelé is unusually active, the surging of the flames, apparently low on the black surface of the lake, and the glow in the clouds, seem so far away that it is impossible to say how bright or extensive these fires may be. A smell of sulphur is noticeable from the sulphur-pits only a few rods from the spot where the road approaches the volcano, and even around us as we stand on its brink, little puffs of smoke come up from the ground. Down in the black lake, wherever the moonlight will permit them to be seen, little columns of smoke are noticed oozing upwards through the cracks in the crust of lava, and forming in places a white vail over the black mass. Viewed at any time, and from any point of sight, the prospect is weird and very "uncanny," as the Scotch say, but it is particularly so at night, especially to one unacquainted with the mysteries below.

With the morning everything is changed. The outline of the basin; the sulphur banks on the walls; the black lake beneath, its cakes, like those of a frozen river, its mountains and single peaks smoking like young

volcanoes; the great pit of fire itself, and the cloud of smoke always rising from it, are plainly distinguished; and when the mind can grasp the outline entire, it is not difficult to examine and understand the minuter details one by one. The first thing noticeable by anyone at all familiar with the descriptions of former travellers, is that the "black ledge" has entirely disappeared, or else that it is of monstrous size, embracing all that is visible from above. The former supposition is the correct one; in some eruption subsequent to 1840, or as the result of a series of eruptions, the crust which was called the Black Ledge has sunk or fallen in, and the liquid lava below has risen to meet it, and on cooling at this height has left the present lake, filling the bowl of the crater.

A descent into this bowl shows that all this mass of black lava has been subject to great upheavals. When the surface of the fiery lake sunk to its present level, it was tremendously agitated, if we may judge by the confused position of stupendous slabs of lava. It is broken into fantastic shapes on every side. Here, a chain of hills, trap-rock among the lava waves, runs from North to South; there, a river seems to have flowed between fixed banks, its surface is turbulent with great flat cakes like black ice, broken up in the sinking of the lava-flow below, standing on end and tossed into every possible position. In whatever direction one wanders on this black prairie he is reminded that beneath are the eternal fires. Every crevice has its little curl of smoke, like that rising above a spring on a frosty morning; and as we approach the actual lava-lake, after a brisk walk of more than two miles, volumes of smoke roll up on the right hand, where, as it blows aside, a yellow coating of sulphur is seen on the lava, while out of the dense clouds come strange noises, groans and fearful shrieks from escaping steam, suggestive of the torments of the damned, as when the angel in Revelations applies the key to the bottomless pit. The lurid fires, leaping up before us, seem as if they might come from hell, so horrible suggestive is the whole region of Milton's description of the fiery abode of Satan. The Devil himself would roast in Kilauea.

The natives give the name of Kilauea only to the burning lake, scarcely two hundred yards across, where the molten lava is tossed about as in a boiling pot. It is possible to approach within fifty feet of the rim, although at that distance the heat is oppressive, and to look down upon the angry mass. Its surface, about thirty feet below our stand is covered with a light grey scum, wrinkled like a wasp's nest, and cracking into hideous waves as the mass is pressed against the banks at either side alternately. It is always in motion, and as it retires from one bank to press heavily upon the other, seams of bright molten lava are seen between the waves. When the slowly-moving mass crowds too powerfully upon the bank, up springs the cherry-red lava, shooting like a fountain twenty or thirty feet into the air, tossing its viscid spray upon the black shore of the crust that encroaches over the basin. Again and again, without warning, except in the angry roar with which it tosses aside the scum, a great column of fiery heat appears, now in the centre, now at the rim of the basin. The thick, pitchy spray often cools in the air, and can be seen floating on the wind in glassy fibres, like thistle-down, long and exceedingly fine. This is found upon the outer banks, and is well-known as Pele's hair. If the wind blows hard there is generally a bright line of fire skirting the edge of the lava-crust, overhanging the basin. This crust

or rim is fretted by the action of the tossing lava into caves with gothic arches, glowing like an iron forge when the men are "digging out the loup," and with a red sea beating up against their sides and fantastic roofs. Sometimes a great piece of the crust, where the fire has undermined it, breaks off, and plunges through the grey scum into the red lava with a sullen roar and a mighty disturbance of the surface of the lake, followed by numerous columns of fire shooting aloft. The whole effect is grand beyond description; grandest in its fearful suggestions of what *might be* when such a fiery lake fills this crater of miles in extent. Many who visit the place are so fascinated by these wonderful fires—always in motion, never the same—that they spend several nights in succession on the very brink. Small need for a blanket there, unless it were a wet one! Although the air is more or less filled with the sulphur fumes, if the wind is from the basin and tolerably fresh, the smell is not unpleasant, but anywheres in the lee of Kilauea the air is horribly oppressive; people attempting to pass behind and around the lake have been nearly stifled by the vapors.

Surrounding the basin at every point of the compass, and not far from it, are cones, smoking viciously at the top and crusted with flower of sulphur. On near examination the bright eye of the lava is seen furtively lurking in the sulphur chambers, and the crusted lava at their base is sure to be hot to the touch. In fact the whole surface of the crater is more or less warm, and burns the soles of boots so as to ruin a pair in a few hours. The vitreous lava cuts like a knife, as many a man, too eager in breaking off specimens with his hands, has learned to his cost. Some of these cones assume the most fantastic shapes. There is one not half a mile from the fires of Kilauea which is as large as a church, and at a distance looks like one. Viewed from the bank, at the distance of two miles, it has a perfect resemblance to a Gothic Cathedral, with a graceful spire, and all the grotesque yet delicate fretwork which distinguishes that order of architecture. In fact it is the only strictly Gothic Cathedral on the islands, notwithstanding that the Puseyite Bishop of Honolulu has seen fit to dignify by that name an unsightly brown building, painted to resemble freestone, and scarcely large enough to accommodate his choir.

Kilauea is reported by the people of Hilo to have been quite active in March of last year (1863), and in June it was still moderately so. The lake had filled up, and a crust had formed over it, so that then it occupied comparatively a small area, and the impression left upon the mind that another extensive eruption could not be far off was very strong. It has often been thus choked up by the crusted lava, and then suddenly burst out afresh with redoubled fury, but the area of the eruption seems to have been more circumscribed at each successive outbreak, for nothing like the scene of grandeur described by Mr. Ellis, and visitors following him within a few years, can be found there at present, and until another eruption, filling the entire crater, shall occur, a repetition of what they saw cannot be expected. It is questionable whether Kilauea has not found another outlet to the sea, as a small island of rock has appeared off the S. E. point of Hawaii, a mere patch of rock, to be sure, but which has grown up lately.

Still, Kilauea remains the most wonderful volcano in the world,—in constant operation since its discovery, at times on the grandest scale.

The native traditions do not go back to a time when Kilauea was silent, although they undoubtedly refer to a time when Mauna Kea and Mauna Loa were more active, and threw out vast fields of lava. Kilauea is also wonderful, as almost the only volcano where the liquid lava and its wonderful action can be viewed, within a few rods with perfect safety, in the bowl of a crater over four miles in diameter.

COMMERCIAL LAW.—NO. 14.

THE STATUTE OF LIMITATIONS.

The statute of 21 James I., chapter 16, commonly called the Statute of Limitations, was passed in England in 1623. Among its provisions, it enacts that all actions of account and upon the case, (which include nearly all the actions which can be brought for indebtedness or damages,) *provided* they do not concern the trade of merchandise between merchant and merchant, their factors or servants, all actions of debt grounded upon any lending, or contract without speciality, (that is, contracts without seal,) and all actions for arrearages of rent, shall be commenced and sued within six years next after the cause of such actions or suit, and not after. In few words, all claims which do not rest on a seal or a judgment must be sued within six years from the time when they arise.

The provisions of this statute were copied, without much important variation, in the statues of all our States; and upon them, as they are explained and in some respects materially modified by adjudication, the law of limitation rested, in England and in this country, until 1827, when statute of 9 George IV., chapter 14, commonly called Lord Tenterden's Act, was passed. This statute, after reciting the statute of James, provides, in substance, that if a debt or promise be once barred by the Statute of Limitations, no acknowledgment of the debt or new promise shall renew the debt and take away the effect of the statute, unless the new promise is in writing, and is signed by the party who makes the promise. But this new statute expressly permits a part payment either of principal or interest of the old debt to have the same effect as before. And this statute also provides, that if there be joint contractors or debtors, and a plaintiff is barred by the statute against both, but the bar of the statute is removed as to one by a new promise or otherwise, the plaintiff may have judgment against this one, but not against the other. And statutes substantially similar have been passed in Maine, Massachusetts, Vermont, New York, Indiana, Michigan, Arkansas and California.

CONSTRUCTION OF THE STATUTE.

For the law of limitation there is a two-fold foundation. In the first place, the actual probability that a debt which has not been claimed for a long time was paid, and that this is the reason of the silence of the creditor. But besides this reason, there is the inexpediency and injustice of permitting a stale and neglected claim or debt, even if it has not been

paid, to be set up and enforced after a long silence and acquiescence. In truth, these two reasons mingle; but as one or the other prevails, its effect is seen in the construction of this law, and in its application to cases.

If, for example, the statute is considered as only a statute of presumption, or, in other words, if it is supposed to say that a debt which is six years old shall not be demanded, because the law presumes that so old a debt must have been paid, it is obvious that, when evidence is offered to do away the effect of the law, courts will look at this evidence mainly to ascertain whether it rebuts this presumption, by proving that the debt still exists. In this view, and for this purpose, any acknowledgment or admission of the mere existence of the debt, by the debtor, would be sufficient to do away with the law. Thus, Lord MANSFIELD said, long ago, "The slightest acknowledgment has been held sufficient to rebut the presumption that an old debt has been paid; as saying, 'Prove your debt, and I will pay you'; 'I am ready to account, but nothing is due you'; and much slighter acknowledgments than these will take a case out of the statute." If, however, courts regarded the statute rather as a statute of repose, or, in other words, as intended to prevent the enforcement of stale claims, whether they were paid or not, then it is obvious that a mere admission that the debt was legal and remains unpaid, amounts to nothing. The law says, it has remained unpaid so long, that it is too late now to bring it forward. But if the debtor is willing to waive the protection of the law, and not only acknowledges the debt, but promises to pay it, there is no reason why he should not be held upon this promise.

Between these two views it may be said that the courts have fluctuated from the beginning. As soon as the statute was passed, whenever it was pleaded by the defendant in bar of the action, if the plaintiff sought to remove this bar by any words of the defendant, he was obliged to allege "a new promise" made by the defendant. This rule of pleading tends to show that, at the beginning, the statute was regarded as a statute of repose, which could not be set aside by a mere *acknowledgment* that the debt was unpaid. But although the rule itself indicates this, the practice of the courts took the opposite direction. An impression prevailed, not perhaps at the beginning, but early, and continued long, that the statute itself was not to be favored; that a resort to it was generally a dishonorable attempt to escape the payment of a just debt; and that the court should give its aid to the creditor who endeavored to do away the effect of this law. Such language as this was not used, but such was the practice; and, accordingly, any sort of acknowledgment, proved in almost any way, was permitted to remove the bar of the statute.

At length, however, a different, and, as we think, a far more just and rational view, prevailed. It began to be admitted by the profession and by the courts, although it never has been, perhaps, by the community, that it was a necessary and beneficial law, and should be, if not favored, at least applied fairly and rationally, and permitted to do its very useful work in suppressing stale claims. These views are now very general, both in the English courts and in our own. One effect of them was Tenterden's Act, which we have given already, and which, as may be seen, guards against the admission of loose and uncertain testimony in proof of a new promise.

Before inquiring into the rules of law which now apply to the case of

an acknowledgment or new promise, it should be remarked that a prescription, or limitation, of common law, much more ancient than the statutes above quoted, is still in full force. This is the presumption of payment after twenty years, which is applicable to all debts; not only the simple contracts to which the Statutes of Limitation refer, that is, contracts which are merely oral, or which if written have no seal, but to specialities, or contracts or debts under seal or by judgment of court. Of these it will not be necessary to speak here, excepting to remark, that in one or two of our States the Statute of Limitation excepts a promissory note which is signed in the presence of an attesting witness, and is put in suit by the original payee, or his executor or administrator; such a note in those States, which we believe are now only Maine and Massachusetts, may be sued at any time within twenty years after it is due. Bank-bills, and other evidences of debt issued by banks, are everywhere excepted from the operation of the statute.

THE NEW PROMISE.

The first question we propose to consider is, what is the new promise which suffices to take a case out of the statute. If the promise be made, the former debt, although not in itself enforceable, is considered a sufficient consideration for the new promise. This might be made as well orally as in writing, until Lord TENTERDEN'S Act. But although this act requires, as matter of evidence, that the new promise shall be in writing, it does not affect at all any question respecting the character or sufficiency of the new promise; they remain to be decided by the same principles, and in the same manner, as before.

The first thing to be said is, that now, by the general consent of the courts of this country and of England, a mere acknowledgment, which does not contain, by any reasonable implication or construction, a new promise, and still more, if it expressly excludes a new promise, is not sufficient. In the leading American case upon this point, before the Supreme Court of the United States, it was proved, in answer to the plea of the Statute of Limitations, that the defendant, one of the partners of a firm then dissolved, said to the plaintiff: "I know we are owing you"; "I am getting old, and I wish to have the business settled"; it was held that these expressions were insufficient to revive the debt. So, in New Hampshire, in an action on a promissory note, the defendant, on being asked to pay the note, said "he guessed the note was outlawed, but that would make no difference, he was willing to pay his honest debts, always." As he did not state in direct terms that he was willing to pay the note, this was held not sufficient to revive the debt. A new promise is not now implied by the law itself, from a mere acknowledgment.

Whether an acknowledgment of an existing debt is sufficient to take it out of the statute, or, in other words, whether it carries with it a promise to pay that debt, is a question of law for the court, when it is only a question as to the legal meaning and effect of the words used; for this would be a mere question of construction, which is always a matter of law only. But if the question is as to what words were used, and what was the intention of the parties to be gathered from the words and acts, this is a question of fact, and it is for the jury to determine.

The new promise need not define the amount of the debt. That can be

done by other evidence, if only the existence of the debt and the purpose of paying it are acknowledged. Still, the new promise must be of the specific debt, or must distinctly include it; for if wholly general and undefined, it is not enough. A testator who provides for the payment of his debts generally, does not thereby make a new promise as to any one of them.

If the new promise is conditional, the party relying upon it must be prepared to show that the condition has been fulfilled. Thus, if the new promise be to pay "when I am able," the promisee must prove not only the promise, but that the promisor is able to pay the debt. Even if there seems to be a promise wholly unconditional and unqualified in its terms, it is competent for the defendant to show, by the attendant circumstances or other proper evidence, that it was not intended, nor understood, as an acknowledgment or a promise. On the other hand, if the expressions in themselves are doubtful, the plaintiff may make them clear, and show by evidence that they meant and were a promise.

As the acknowledgment should be voluntary, it follows that those made under process of law, as by a bankrupt, or by answers to interrogatories which could not be avoided, should never have the effect of a new promise.

A doctrine has prevailed, and perhaps has at present the weight of authority in its favor, according to which every new item and credit in a mutual and running account is an acknowledgment, by the party making it, that the account is open and unsettled, and so draws after it all preceding items as to have the same effect as a recognition of them, and a promise to pay the balance when that should be struck. This doctrine grew up, we think, in those days when courts disliked the Statute of Limitations, and sought opportunities, or at least favored attempts, to defeat it. Such is not the view of courts at present; and we should say that the general principles now prevalent would eventually limit this doctrine to cases where the account was mutual and open, and there was evidence that the items relied upon were intended to be charged in offset, so as to have the effect of a part-payment. But the law on this subject is not now quite clear.

PART-PAYMENT.

A part-payment of debt is such a recognition of it as implies a new promise; even if it be made in goods or chattels, if offered as payment and agreed to be received as payment, or by negotiable promissory note or bill. Thus, in England, where one was sued for money due for a quantity of hay, and pleaded that it had been due more than six years, which was a good defence, the plaintiff proved in reply that defendant had given him within six years a gallon of gin as part-payment for his debt; and it was held that this took the case out of the Statute of Limitations, and the plaintiff recovered. But a payment has this effect only when the payment is made as of a part of a debt. If it is made in settlement of the whole, of course it is no promise of more. And a bare payment, without words or acts to indicate its character, would not be construed as carrying with it an acknowledgment that more was due and would be paid.

If a debtor owes several debts, and pays a sum of money, he has the

right of appropriating that money as he pleases. If he pays it without indicating his own appropriation, the general rule is, that the creditor who receives the money may appropriate it as he will. There is, however, this exception. If there be two or more debts, some of which are barred by the statute, and others are not barred by it, the creditor cannot appropriate the payment to a debt that is barred, for the purpose of taking it out of the statute by such part-payment. If a debt consists of both principal and interest, a payment specifically on account of either of these parts will take the remainder of that part, and the whole of the other part, out of the statute. If mutual accounts are settled, and a balance struck, all the items which are within the admitted account are so many payments, and may have the effect of part-payments in taking a debt towards which they go out of the statute. So, a payment for a creditor to a third party on account of a debt due from the payer to the creditor, is the same thing as a payment to the creditor.

The Tenterden Act requires that the new promise should be in writing; but provides also, as we have seen, that nothing in it shall alter, or take away, or lessen the effect of any payment of any principal or interest. This, therefore, remains a new promise, as before.

ON THE ACTION OF OIL-WELLS.*

By Prof. E. W. Evans, Marietta College.

The phenomena exhibited by oil-wells suggest various problems, the discussion of which may be of scientific as well as practical interest. The facts on which the following remarks are based have been collected chiefly from the history of different wells in the coal regions of Southern Ohio and West Virginia.

It seems certain that the principal supplies of petroleum are not diffused between the planes of stratification, but are collected in cavities more or less sunken in the strata, whence it is less liable to be carried away by running water. Prof. E. B. Andrews has shown, in an article published in this Journal, July, 1861, that it is common to find large quantities in places where there are marks of disturbance and displacement of the rocks. The cavities have probably been caused sometimes by uplifts and sometimes by erosion and the dissolving action of water; but whatever may be their origin, they are not usually of great horizontal extent. It is seldom that two neighboring wells strike oil at the same depth, whether the strata be horizontal or dipping. It is one chance out of many to strike oil at all, even in neighborhoods where it exists in abundance. The drill, as it enters the cavity, sinks variously from four or five inches to as many feet, sometimes sticking fast, as if between the oblique sides of a narrow fissure. But there are facts connected with the history of oil-wells, particularly their intermittent action and their

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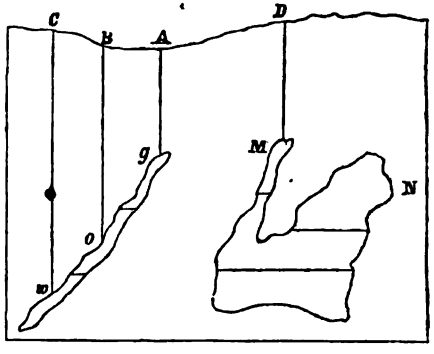
interference with one another, which serve to show the existence, in many cases, of systems of these cavities connected together by channels of communication more or less free, running sometimes along the strata and sometimes across them. The productiveness of a well depends on its entering either one of the main reservoirs or some of its important connections.

Let us begin with the most simple case, that of a single or isolated oil-cavity; of which a cross section is represented by *gw*, fig. 1. Every collection of oil is accompanied with varying quantities of gas and water, the gas occupying of course the top of the cavity and the water the bottom, according to the order of their specific gravities. First suppose that a well is bored at A, so as to enter the gas. Being in a high state of tension the gas escapes, sometimes with explosive violence, carrying out with it whatever water there may be collected in the boring. If water enters the cavity freely, as is usually the case, the oil, floating on its surface, is soon driven upward to the mouth (i. e., lower end) of the tube; it may then be pumped out till the line of division between it and the water rises to the mouth of the tube; after which, mixed oil and water will be drawn. But it often happens that the water rises faster than it can be thus exhausted, and the oil, driven into the top of the cavity, is lost, until the water is reduced by machinery of greater working power. But as it cannot be reduced below the mouth of the tube, unmixed oil cannot again be obtained from the well. In all wells from which the gas has escaped, there is ultimately a saving of work if the oil is pumped out as rapidly as possible before the intrusion of water. Secondly, suppose that the boring is at B and enters the oil. In this case, the oil rises in the tube to a height depending on the tension of the gas above it; a mode of action which is illustrated by the familiar apparatus called the fountain with condensed air. Sometimes it is thrown into the air a distance of 30 or 40 feet, and large quantities wasted. If the oil continues to be ejected till its surface in the cavity descends to the mouth of the tube, the fact first becomes known by a gurgling and spurting action, and the gas, or the greater portion of it, escapes, after which the pump becomes necessary, and the same series of actions take place as in the first case. But if the gas reaches its equilibrium with the hydrostatic pressure before the oil is reduced so low, we may then pump out the oil till the water rises to the mouth of the tube, after which we shall obtain mixed oil and water as before, till the whole supply of oil is exhausted, provided the pump is of sufficient working power to prevent interruptions by the too rapid rise of the water.

1.



Next suppose that the boring is at C and enters the water. If the gas has sufficient tension, water is raised until its surface in the cavity de-

scends to the mouth of the tube, then mixed oil and water is obtained, then pure oil, after which the same circumstances exist as in the second case. It must not be inferred, however, that when the water is not thrown to the surface there is no oil. It may happen that the pressure of the gas will raise a column of water only part of the way up the boring, and yet the well be found productive. Hence no considerable quantity of water should be passed without ascertaining by reducing it with the pump whether there is oil confined above it in some side chamber. The Shattuck well on the Little Kanawha had to be drained of water with a steam pump for two weeks before oil was obtained; but after that it yielded abundantly.

Some varieties of action are to be accounted for on the supposition that there are, in the same cavity, different collections of gas separated by a partition descending from the top. Such a cavity is represented by MN, fig. 1. A well enters the gas chamber M. The gas escapes with violence, and yet the oil immediately begins to flow in a continuous stream over the top of the boring, and is perhaps projected in the form of a jet to a great height, by the pressure of the gas in another chamber N, of the same cavity.

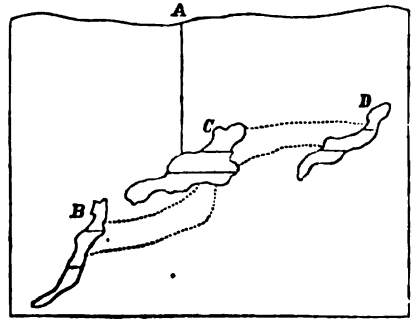
It is evident that if a second well be sunk so as to enter the gas in the chamber N, the oil in M will immediately sink to the level of that in N, and be lost to the first well; a mode of interference which sometimes occurs, when two wells are quite near together.

Thus far I have considered only isolated oil-cavities, or those which, when exhausted, are not replenished to any considerable extent from other sources. In general these run their course in a short time, and yet they sometimes yield very large quantities of oil.

There is a second class of wells, in general more productive, which exhibit the same phenomena at first, but as often as they are exhausted are replenished again, and repeat a certain series of actions indefinitely, and with remarkable regularity of time. This is to be explained by supposing that they are connected with other reservoirs by slight channels of communication, whose capacity for replenishing is less than that of the tube for exhausting. Let C, fig. 2, be an oil cavity having connections with two other cavities, B and D. Suppose that a well A enters the oil in C. After this well has thrown out oil, and perhaps afterward water, by force of the condensed gas, it comes to a stop. Then owing to the diminished tension of the gas in the enlarged space in C, the gas and oil in B and D force slight passages, represented by the dotted lines, into C, until the gas in this cavity again becomes sufficiently compressed to raise oil and water successively; after which the well comes to another stop until it is replenished with oil and gas as before; and the same process is repeated an indefinite number of times. The Newton well, on a branch of the Little Muskingum, a few miles from Marietta, repeats this process (with some escape of gas) at regular intervals of about half an hour, expelling about a barrel of oil each time. A noteworthy fact connected with this well is that when it stops it is necessary to pump out a little water in order to start it again; then the oil issues spontaneously. This is to be explained as follows. The pressure of the gas is not quite sufficient to raise the water to the surface; but the position of the mouth of the tube is such that a few strokes of the pump suffice to reduce the sur-

face of the water in the cavity below that point. Now a column of oil will be raised by a given pressure so much higher than a column of water as its specific gravity is less. In this case it is raised not far from a fourth higher (the specific gravity of the oil being ·816;) and the difference is sufficient to make it flow over the top of the tube. Examples of this kind are common.

2.



The well in the figure is represented as having but a few connections, sufficient perhaps for the purpose of illustration; but it is probable that these lines of slow communication are usually numerous; the gas and oil, like the water, forcing their way in through a multitude of pores and slight crevices, until a state of equilibrium is gradually reached or approximated to, as mercury forces its way in through the pores of wood into the exhausted receiver of an air-pump. Sometimes it happens that the cavity is filled with sediment of clay and sand by these little streams, and the well becomes inactive.

The class of wells here described may be distinguished from others as intermittent wells. The finding of one of these may be regarded as a certain sign that there are numbers of oil cavities near together in the same locality. Especially if it yields copiously for months in succession, as often happens, without any material diminution in quantity, or increase of the intervals between the successive yields, the rocks in its neighborhood may be presumed to contain rich supplies of oil that may be directly reached.

On Oil Creek in Pennsylvania the greatest quantities of oil are found in the same horizontal stratum of sandstone. It would seem that this rock is very porous, and perforated like a honeycomb with numerous cells and fissures containing petroleum. The history of many of the wells is as follows. When oil is entered, the gas begins to raise it up over the top of the boring, increasing gradually in force until it projects it into the air, often to a height of 40 or 50 feet, then alternately diminishing and increasing in force at regular intervals, but without any cessation in the flow for a long time. These variations in the force of the gas (the "breathings of the earth," as they are called,) are to be explained on the same principle as before, by supposing that as the tension of the gas is relaxed by the removal of oil, the gas and oil from other cavities around rush in through the pores and slight fissures till a certain maximum tension is reached, and the influx ceases; then by the expansion of the gas already in the chamber the oil continues to come up, but with a diminishing flow, until a relative vacuum is again created; after which the influx is renewed and gradually increases as at the beginning. These regular alternations vary in different wells from two or three times a day to as many times an hour; the intervals, however, gradually increasing in length as the supply of oil is diminished; unless, as sometimes happens, new

communications are forced, and the well, deriving new supplies, starts off again with a new period. It often happens that the same well has two periods; one of variation in the flow, and another of cessation, consequent on the escape of gas.

A more uniform flow may be secured by making the orifice at the mouth of the tube smaller. This is often desirable in order to prevent the escape of gas by the exhaustion of the oil in the cavity down to the bottom of the boring. Sometimes such a quantity will thus rush out, before the oil raised up by the water, closes the passage again, as not only to render the pump necessary after that to raise oil, but also to diminish materially the influx of oil from other cavities by reducing the pressure of the gas in them. Another expedient sometimes resorted to, when the spontaneous flow of oil becomes slight, is to stop up the boring till another "head of gas," as it is called, accumulates. But the stoppage should not be continued long; for instances are known where the gas has in consequence forced a way from its new channels in other directions, and found vent in other wells.

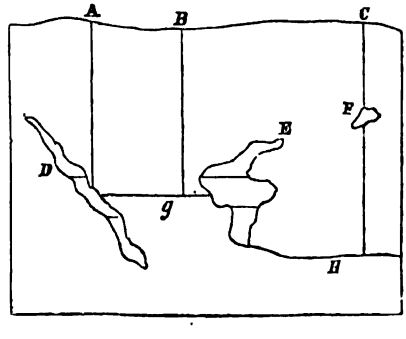
It is not an uncommon thing for intermittent wells to throw out at first 300 or 400 barrels a day, or to yield in all as much as 20,000 barrels. They sometimes run two or three years before exhaustion. The productiveness of the Lewellyn well on the Little Kanawha greatly exceeded these figures.

It is evident that if a second well were sunk so as to enter the cavity B or D fig. 2, the well C would lose one portion of its supply of gas and oil, and be to this extent interfered with. Sometimes a very productive well thus cuts off the main supplies of a number of less considerable ones in its neighborhood, or, if the first sunk, it is itself tapped by them.

But some of the most marked cases of interference that are known, show the existence of a third class of oil cavities, connected with one another by perfectly free channels of communication, so that when the equilibrium between them is disturbed, it is immediately restored. Fig. 3 will serve to illustrate. A well A enters the cavity D finding oil. Another well B is bored so as to enter an open channel *g* between the two cavities D and E. This will drain oil from A; but if, as in the figure, its mouth is lower than that of A, it can be made a valuable auxiliary to it when the rising water drives the oil into the upper part of the cavity; for it can be used to reduce the water, and thus to keep the oil within reach of A.

Again, a third well C is bored, and passes through a strong current of water, a cross section of which is represented by F. It finally descends to a fissure H, which communicates freely with E and consequently also with D, and interferes with both the other wells by letting in such a head of water as to drive the oil in both cavities above the mouths of the tubes. Pumping the water out of all these simultaneously might bring the oil down again within

3.



reach of that tube at least which enters at the highest point. A better expedient is to stop up tightly the space on the outside of the tube in the well C, just below the stream of water F. This is often effected by lowering a leather bag filled with dry seeds to the required depth. As water penetrates it, the seeds swell and close the passage.

On the Little Muskingum there are four or five wells (from 100 to 200 feet apart), so connected together as to illustrate both modes of interference shown by fiig. 3. Had the well B entered the gas in E, it would have interfered with A by causing the escape of this gas; a case analogous to that mentioned before, where there were supposed to be two gas chambers in the top of the same cavity. After this the irruption of the water from C would have temporarily assisted B by raising the oil in E to the mouth of the tube.

Examples differing in details might be multiplied indefinitely. I have aimed only to point out in a general manner the different modes of action, and the hypotheses on which they are to be explained.

In the foregoing illustrations the quantity of gas has been supposed considerable. In many cases however it is so slight that the pump has to be used throughout. Yet wells of this kind often partake of the intermittent character to some extent. As it is not usual to work them at night, they begin each day with a new accumulation, which gives them a certain regularity of daily action often considered mysterious. There is a well a few miles from Marietta which yields oil only for a short time in the morning; when neglected till that time is passed, it is unproductive for the day. This is owing to the proximity of another well, which drains it of its water in the day-time, but by resting at night allows it to be replenished. Wells of small supply often require a certain interval of rest to be replenished, but never exceed a certain amount, however that interval may be extended—the column of oil having reached its maximum height by pneumatic or hydrostatic pressure.

Oil-wells commonly vary in depth from 100 to 800 feet. The deepest are as apt to raise oil to the surface as the shallowest. This indicates a greater compression of the gas at the greater depth, owing doubtless to its connection with higher columns of water. The activity of some wells is increased by rains; others, with less gas, are rendered unproductive till the water can be reduced. It must not be assumed, however, that their connection with subterranean currents is immediate and unobstructed. I know of no instance where there is reason to suppose that the oil is raised to the surface by the direct pressure of a stream of water whose head is higher than the issue, as the jets of Artesian wells are said to be produced. In spouting wells, the presence of gas as the immediate agent becomes known, not only from their variable action, but also from the actual escape of gas, and consequent cessation of flow whenever the oil is reduced to a certain level. If collections of oil had direct and free connection with strong currents of water, the mechanical agency of these currents would bear them rapidly away.

As it is, minute quantities come to the surface with the springs, showing a very slow process of drainage. As an index of the location of oil-cavities this sign is not reliable; for that which issues may have been carried by the streamlets many miles from its source. Gas springs are less deceptive signs; for the gas, being more buoyant than the oil, and

not liable to be carried along by descending currents, is not likely to wander so far before it issues. But the "show of oil" increases in value as a sign with the depth at which it is found. Especially is the finding of large quantities of imprisoned gas, though no oil may be present, regarded as a good indication that there is no oil near.

COMMERCIAL CHRONICLE AND REVIEW.

FLUCTUATIONS IN GOLD—EFFECTS ON PRICES—PRICES OF DOMESTIC PRODUCTIONS AND FOREIGN IMPORTATIONS COMPARED—THE FALL IN GOLD AND ITS EFFECT ON BUSINESS—THE LOAN OFFERED BY GOVERNMENT AND THE BANK DEPOSITS WITH THE TREASURY—PUBLIC DEBT—RECEIPTS AND EXPORTS OF SPECIE AND PRICE OF GOLD—RATES OF EXCHANGE—PRICES OF UNITED STATES PAPER.

THE events of the last month have been influenced principally by the great fluctuations in the prices of gold, that have tended to unsettle all values prospectively, and create great apprehensions in relation to the possible consequences of a sudden and large depreciation in prices of goods. The combined influence of taxes and currency inflation had carried goods so high as seriously to check consumption. The effect is the more decided since domestic productions have not risen in price as fast as other articles, because, although articles of home production suffered the influence of paper inflation, those manufactured articles composed of imported materials and goods directly imported were influenced also by the premium on gold as well as the paper inflation, and the latter in the double ratio of premium on exchange and premium on gold. The depreciation of the currency is the one general cause of the rise, but the import taxes have added a further element of cost which is not borne by the domestic products. With each advance in the price of gold this becomes more evident, and it is the sign of increased relative difference in prices, which is the main cause of languishing commerce. The Fall trade is very backward, and many dealers are awaiting orders for the reshipment of their goods to more propitious quarters. An ordinary quality of cloth which paid twenty-four per cent duty three years since, now pays four hundred and sixty per cent before it reaches the retailer; a fact which represents so many yards less for the same quantity of farm produce. The operation of the rise on the general market, may be seen in the following table of certain imported articles, showing duties and prices:

	1862.		1864.	
	Duties.	Price.	Duties.	Price.
Coal	50	6 50 a 7 00	1 25	25 00 a 30 00
Coffee	5	22 a 23	5	47 a 50
Copper	2	28 a 30	3½	71 a 72
Raisins	5	3 30 a 3 35	5	5 25 a 5 50
Hides	1	24 a 25	1	37 a 38
Indigo	free.	95 a 1 15	free.	1 60 a 2 10
Iron, pig	6 00	27 00 a 28 00	9 00	77 90 a 80 00
Brandy	1 25	4 20 a 8 00	3 50	9 25 a 25 00
Salt	1½	1 12 a 1 15	2½	3 40 a 3 50
Rum	50	1 50 a 2 25	2 00	7 50 a 11 00
Sugar	2 00	7 00 a 9 00	3 00	18 50 a 23 00
Tea	15	55 a 58	22	1 15 a 1 25
Wine, port	60	1 50 a 4 00	1 20	4 00 a 8 50
Total	$11 14½	$54 36 a 60 26	$20 27	$154 20 a 191 45
Average		56 12		172 82

These figures give the duties in gold at each period, and the market price of the articles, including the duties at the present time. There must be added to the aggregate duties that the Government receives, the premium which the importer pays for the gold. There must also be added to the prime cost, the premium on gold paid for bills of exchange. The average aggregate prices in 1862 of the articles enumerated was $56 12, from which deducting the sum of the duties, there remains $44 98 as the invoice prices, freights and charges also payable in gold. Taking the same data now, we find the cost is as follows:

Cost and charges		$44 98
Add premium on exchange		69 71
Add duties	$20 75	
Add gold premium	32 16	52 91
Present cost		$167 60
Average market prices as above		172 82

This is an advance of two hundred and eight per cent upon the aggregate price of the articles named, the consumption of none of which is especially affected by the operations of war. They are all articles that meet with a regular demand. The advance in price is composed of two elements mainly, viz.: the duties doubled in gold and nearly quintupled in paper, and the depreciation of paper which is marked in the rise of exchange. If we now take from the prices current thirteen staple articles of domestic production, which have not been influenced in supply by the war operations, we shall find that the advance is not so great.

	1862.	1864.
Ashes	$8 00 a 8 50	$13 00 a 13 50
Dry cod	4 37 a 4 75	7 50 a 8 50
Flour	6 60 a 6 95	9 45 a 10 50
Corn	81 a 83	1 60 a 1 62
Hay	95 a 1 00	1 15 a 1 30
Wheat	1 50 a 1 65	2 30 a 2 52
Hops	18 a 25	20 a 32
Lime	85 a 90	1 00 a 1 10
Pork	14 25 a 15 25	35 00 a 39 00
Beef	7 00 a 9 00	13 00 a 15 00
Lard	9¼ a 10¼	19¼ a 20¼
Tallow	10¼ a 11	19¼ a 20¼
Whisky	40 a 42	1 68 a 1 71
Increase	$44 15¼ a 49 71	$86 27¼ a 95 48
Average	46 93	90 87

If we compare these thirteen domestic products with the above thirteen imported articles, the respective aggregate advance per cent will appear as follows:

	1862.	1864.	Adv. per cent.
Thirteen imported	56.12	172.82	208
Thirteen domestic	46.93	90.87	90

The increase of the price of the imported articles is 100 per cent duties, and 18 per cent in the freight and charges, leaving the portion due to the depreciation of paper 90 per cent; the same as in domestic articles. The fact then remains that producers of domestic articles get far less of imported articles for the same quantities sold. To illustrate by single articles. In 1862 one barrel beef

was equal to 100 pounds sugar, at present one barrel of beef will only buy 67 pounds of sugar. In 1862 one ton of iron equaled 18 bushels of wheat, it now equals 32 bushels. We see in these diminished proportions the declining ability of the domestic producers to consume commodities, and therefore the resistless cause of diminishing commerce. The imported articles and the goods manufactured from imported articles are loaded with an immense tax, composed of two elements, the gold which the Government gets and the paper premium on gold, which does not aid the Government in any way. In the case of sugar, every pound consumed pays two taxes, viz., three cents in gold to the Government, and four-and-a-half cents premium on gold or depreciation of paper, and this is paid by the domestic producer, because his articles rise only in proportion to the direct depreciation of the paper in which it is sold. The internal taxes have as yet not been added to the cost of internal production, while the customs tax has swollen the cost in a double ratio. If the depreciation of the currency should progress during the next six months, this difference against the producer must necessarily increase, and with it the disposition to economize. In this sense economy means not only lessened consumption but diminished production, less employment to operatives, and a diminution of the national wealth.

The very high prices thus reached, having greatly reduced the demand for goods for consumption, considerable quantities remained in bond, many in the expectation of being re-exported to more favorable quarters. This general state of business greatly lessened the direct demand for gold and bills for export. While at the same time the sales of United States 5-20's abroad had been so considerable, although at the very unsatisfactory prices of 37½ a 40 cents per dollar, as to supply a considerable amount of bills. This state of affairs, with vague rumours as to approaching peace, impressed the public mind with the idea that gold would fall in value, arrangements were made to realize that idea, and towards the close of August, on the taking of Atlanta by the federal troops, heavy sales caused a decline from $2 57 to $2 14, September 12. This large fall had the greatest influence upon all business, completely paralyzing it. There was no sale for produced bills, and the shipment stopped without bringing any decline in the price of commodities.

The fall in bills, on the other hand, was a great advantage to those who had imported goods in bond, since the decline in gold effected a large reduction in the duties and remittances, and enabled the new goods to come on the market at cost greatly below these in stores. In the expectation of a great reduction there were no buyers. The reduction, however, as a general thing, did not take place. Holders continued to wait for the expected fall business. Another element had a great influence upon the fall trade, viz., the draft for 500,000 men contingent upon the non-supply of volunteers up to the 5th of September. This caused very high prices for volunteers and substitutes, and arrangements for supplying the money, $500 a $1,000 was paid per man. Taking the average $700 the aggregate would be $350,000,000, raised in a few weeks mostly by that portion of the people not possessed of large means. So large a drain compelled the greatest economy in expenditures, drew down balances in Banks, and bore heavily upon the usual currents of business. The drain took place at a time when, owing to the high prices of crops, much money was wanted to move them, and when the

pay of the soldiers, being long in arrears, had left their families in great distress to meet store bills and current expenses, and when contractors and Government creditors long without pay were needy borrowers and clamorous in their demands. At such a moment the Secretary put forward another loan, the $31,000,000 balance which had been rejected by Mr. CHASE in June, and an account of which was given in our July number, page 42. The loan being a 6 per cent gold interest stock, payable in 1881, was put upon the market to the highest bidder.

The bids were opened September 9th, and resulted in the award to bidders at 104.03, being nearly the same parties that took the loan in June. Seventy-two millions dollars were offered, and $41,000,000 were rejected.

The Treasury held about $12,500,000 of 6 per cent deposits made by the associated Banks, payable at ten days notice. This notice was given by the Banks, and, if the money had been drawn out, would take away nearly all the money obtained by the Treasury on the loan. This induced the Treasury to stipulate that if the Banks would allow the money to remain it should be payable on demand, instead of ten days notice. This the Banks agreed to, and money was more easy.

The amount of loans obtained by the Treasury, August 30 to Sept. 16, was—

On 7-30 paper interest notes	$3,186,410
On 10-40 gold 5 per cent interest stock	1,974,300
On 6's of 1881, new loan	31,000,000
Total	$36,160,410

This was about half of the current expense, but as the $31,000,000 was paid for in 5 per cent notes to be cancelled, it gave no money. The weekly account of the public debt was suspended August 30; at that date it stood as follows:

	Aug. 16.	Aug. 23.	Aug. 30.
Six per cents, 1867–8	$18,323,592	$18,323,592	$18,323,592
Five per cents, 1871–4	27,022,000	27,022,000	27,022,000
Five per cents, 1865	2,052,000	2,052,000	2,052,000
Six per cents, 1881	172,358,500	176,488,650	180,072,500
7-30's, convertible into 1881	77,965,400	74,629,300	71,599,800
5-20's 6 per cents	510,756,900	510,756,900	510,756,900
10-40's, 5 per cents	75,868,800	77,170,700	79,056,700
Oregon, 6 per cents	1,016,000	1,016,000	1,016,000
Total gold-bearing	$885,358,192	$887,459,141	$889,899,492
Deposits at 6 per cent	$52,821,689	$59,221,432	$54,400,352
Treasury certificates, 6 per cents	186,162,000	192,754,000	203,057,900
One year 5 per cents	44,520,000	44,529,000	44,520,000
Two year 5 per cents	16,480,000	16,480,000	16,480,000
Two year coupons 5 per cents	79,577,502	79,377,502	78,978,422
Three year 6 per cents, compound	41,360,000	43,900,000	45,889,680
New 7-30 per cents	14,291,950	21,951,000	29,876,550
Total currency interest	$435,013,141	$452,203,934	$469,197,004
Greenbacks	$433,160,569	$433,166,562	$433,160,569
Fractional Notes	24,017,842	24,283,042	24,345,217
Due Creditors $78,795,000			
Less on hand 17,189,519—	71,797,641	61,800,517	—61,605,481
Old debt, interest ceased	367,170	367,170	357,470
Total, free of interest	$529,343,222	$519,244,128	$519,468,737
Total of all Debt	$1,849,714,555	$1,859,274,874	$1,878,565,233

On the 1st September, about $40,000,000 arrears of pay fell due to the troops, making nearly $100,000,000 additional to the debt up to September 16, mostly in paper money. The amount was, therefore, in round numbers, $2,000,000,000.

Sept., 1863—Official statement	$1,222,113,560
Sept., 1864—Semi-official	2,000,000,000
Increase in 12 months	$777,886,440

Or two and one-eighth millions per day, in addition to the customs and internal taxes, which Mr. FESSENDEN, in his appeal to the people, represented at $1,000,000 per day. The amount of debt now authorized and available for issues is as follows, per official statement:

Oct. to March 3, 1864—10-40 5 per cent gold bonds	$114,101,100
Oct. to June, 1864—5-40 6 per cent gold bonds	366,937,000
Oct. to June, 1864—compound notes	55,000,000
Total	$536,038,100

Thus the authority to issue paper is now confined mostly to gold stock. The compound notes are substituted for 5 per cent legal tenders called in. The utmost efforts are now being made to pay the troops some of their arrears The stagnation in business caused a great decline in the demand for gold for shipment, and the movement was as follows:

SPECIE AND PRICE OF GOLD.

	1863.		1864.			
	Received.	Exported.	Received.	Exported.	Gold in bank.	Prem.ongold.
Jan. 2	.....	681,448	254,289	590,262	25,161,935	51¼ a 52
9	1,277,788	726,746	.....	1,216,204	25,122,002	51¾ a 52
16	.....	1,380,247	279,801	1,985,057	24,884,264	52⅛ a 56¼
23	678,841	780,817	365,608	1,000,000	24,631,204	56 a 58
30	.....	1,331,027	324,864	668,747	24,203,632	56¼ a ....
Feb. 6	301,860	1,277,000	.....	662,616	24,070,191	49½ a ....
13	359,987	1,152,846	363,198	1,219,808	23 521,453	95 a ....
20	.....	520,017	.....	325,632	22,523,918	59 a ....
27	285,394	1,377,016	407,057	531,700	22,301,687	165 a 61
March 5	1,243,551	733,643	512,358	629,803	21,220,653	61¼ a 62
12	.....	3,540,550	.....	465,920	20,750,495	62 a 69
19	249,514	1,201,907	281,504	83,881	21,059,512	62 a 62½
26	159,105	1,050,156	375,101	273,900	20,425,504	69½ a 70¼
Apr. 2	250,778	473,385	273,429	168,912	19,527,665	68¾ a 68½
9	.....	607,059	302,844	345,471	20,924,287	67 a 71
16	217,602	158,437	269,522	1,002,884	21,687,670	71 a 89
23	256,604	629,855	.....	3,226,000	24,868,203	72½ a 79
30		294,998	282,376	1,271,886	24,087,343	77 a 85
May 7	205,057	451,827	282,276	1,174,241	23,082,028	71 a 81
14		661,996		2,452,668	22,635,155	61¾ a 76½
12	258,570	488,745	383,428	1,884,195	22,091,691	73 a 85
28	.....	279,994	.....	580,820	21,978,180	87½ a 92½
June 4	318,066	411,483	271,801	1,425,588	22,461,604	87 a 90½
11	.....	235,364	.....	1,543,600	24,041,704	92 a 99½
18	.....	522,147	291,208	1,886,663	22,916,291	94 a 98½
25	187,082	134,432	281,011	1,296,356	22,000,898	99 a 130
July 2	.....	347,807	.....	560,077	21,206,685	115 a 180
9	254,947	401,936	301,207	486,339	20,084,917	122 a 176½
16	.....	2,190,781	.....	301,244	21,234,354	144 a 185

23	.....	1,725,748	249,095	556,464	21,033,912	150¾a168¾
30 ...	270,182	480,374	284,301	404,312	21,051,896	144 a159
Aug. 6	.....	550,044	.....	90,111	21,159,518	155 a161¼
13	313,612	1,210,220	.....	341,883	21,080,309	152 a159¾
20	.....	238,898	571,281	48,009	20,794,268	155 a158
27	231,854	1,379,710	.....	206,398	19,952,949	145 a157
Sept. 3 . ..	.....	309,799	387,281	444,503	20,136,547	131 a153
10	279,043	852,752	.....	486,451	20,603,881	125 a143
17	193,548	535,796	369,592	669,733	20,065,180	114 a130
Total.....	$8,541,942	$29,024,453	9,103,486	32,986,738		

The supply of gold in California has been reduced at estimated over three, and by the drought, and the crop of wheat which has been exported, to the extent of four millions has been cut off, thus diminishing the means of remittance here.

The supply of specie in the market was a good deal aided by the operations of the Treasury in paying in advance the interest on the public stocks due November 1. The idea of peace that got abroad, just previous to the surrender of Atlanta, also caused numbers of persons to sell, and others to borrow and sell, for speculative purposes. This decline caused the withdrawal of many goods from bond, and improved the demand for gold, as well for customs as for remittance. Neither the demand nor the supply of bills was large, and there was a great indisposition to operate any farther than the necessities of the moment warranted. The gold price for sterling bills remained very nearly 109 a 109½, and the currency price followed the rate of gold. These rates have been as follows:

RATES OF EXCHANGE.

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 2,.	166 a 166½	3.38¾ a 3.34½	62½ a 63	62¾ a 63½	55½ a 56	110½ a 111
" 9,.	166½ a 167¾	3.38½ a 3.40	62¾ a 63	62¾ a 63½	55¾ a 56½	110½ a 111
" 16,.	169½ a 170¾	3.30 a 3 32½	64 a 64½	64½ a 64¾	56½ a 57½	112¾ a 113¾
" 23,.	170 a 171	3.31 a 3.33	64½ a 64½	64½ a 65	56¾ a 57	112¾ a 113¾
" 30,	171 a 172	3.32½ a 3.28½	64½ a 64¾	64½ a 65	57½ a 57½	113½ a 114
Feb. 6,	174 a 175	3.26¼ a 3.23¾	65¼ a 66¾	65½ a 66	58 a 58½	115 a 116
" 13,	173 a 174½	3.27½ a 3.23½	65 a 65½	65½ a 65¾	58¼ a 58½	115½ a 116
20,	172½ a 174	3 27½ a 3.23¾	65½ a 65¾	65½ a 65¾	58½ a 58½	115½ a 116
27,	173½ a 174	2.26½ a 3.22	65½ a 65½	65¾ a 66	58¾ a 58¾	115¾ a 116½
5,	174½ a 175¾	3.25 a 3.21½	65¾ a 66½	66 a 66½	58½ a 59	116 a 117
12,	177 a 178	3.15 a 3.18¾	66 a 66½	67 a 67½	59 a 59½	117½ a 118
19,	176 a 177	3.22½ a 3.18¾	65½ a 66½	66 a 66½	58½ a 59	116 a 117
' 26,	179½ a 182	3.15 a 3.10	67¾ a 68½	68 a 68¾	60½ a 61	120 a 121
April 2,	177½ a 181	3.18¾ a 3.12½	66¾ a 67	67 a 67¾	59½ a 60½	118 a 120
" 9,	184 a 185	3.08 a 3.06½	68½ a 69	68¾ a 69½	61½ a 62	121½ a 122
" 16,	189 a 191	2.97½ a 2.95	70 a 71	70½ a 71½	62½ a 64½	127 a 128
" 23,	190 a 192	3.05½ a 2.95	71½ a 71¾	71½ a 72	62¾ a 63½	124 a 125
" 30,	195 a 198	2.90 a 2.85	73 a 74	73½ a 74½	65 a 66	130 a 131
May 7,	192 a 195	2.96½ a 2.90	72 a 73	72½ a 73½	63½ a 64½	126 a 127
" 14,	192 a 187	2.95 a 3.02	71½ a 70¾	71½ a 71	62½ a 63	124 a 125
" 21,	196 a 198	2.87½ a 2.83½	74 a 75½	73½ a 75	65 a 66	130 a 131
" 28,	201 a 203½	2.81½ a 2.77½	75½ a 76¾	75½ a 76½	67 a 67½	134 a 135
June 4,	218 a 210	2.72½ a 2.68½	78 a 79	77½ a 74½	68½ a 69	135 a 136
" 11,	215 a 218	2.65 a 2.60	79 a 79½	78 a 79	71½ a 72	143 a 144
" 18,	216 a 219	2:64 a 2.88	79½ a 80½	80 a 80½	72 a 73	145 a 145
" 25,	235 a 238	2.37½ a 2.41½	86 a 87	.. a ...	76 a 77	154 a 155

July	2,	270	a 295	2.15	a 1.92½	93	a 94	..	a ..	85	a 95	185	a 195
"	9,	292	a 298	1.95	a 1.87½	..	a ..	200	a215	96	a 98	184	a 188
"	16,	268	a 290	Nominal.									
"	23,	273	a 282	2.10	a 2.01½	..	a ..	101	a103	90	a 93	182	a 184
"	30,	270	a 274½	2 15	a 2.07½	..	a ..	98	a100	88½	a 90½	178	a 180
Aug.	6,	279	a 283	2.00½	a 2.00	..	a ..	103	a105	91	a 93	184	a 185
"	13,	274	a 277	2,05	a 2.07½	..	a ..	..	a ..	91½	a 92½	183	a 185½
"	20,	278	a 279½	2.06½	a 2.02½	100	a 102½	101	a103	91½	a 92½	183	a 184
"	27,	275	a 276	2.08½	a 2.05	..	a ..	..	a ..	90	a 90½	178	a 180
Sept.	3,	260	a 275	2.15	a 2.05	..	a ..	..	a ..	85	a 90½	170	a 180
"	10,	258	a 256	2.25	a 2.20	93	a 94	..	a ..	83	a 84	166	a 167
"	17,	245	a 248½	2.31½	a 2.27½	..	a ..	..	a ..	80½	a 81½	..	a ..

The amount of bills on the Continent is nominal, and in the month it was stated that some forged Mexican bills, on the French Government, were in the market. The bills drawn against United States 5-20 bonds, sold in Germany, underwent a great diminution, for the reason that the markets there became glutted with bonds, and a sort of panic set in which caused the rate to fall to 35½ cts. per dollar, a decline of 20 per cent from the price of May 24. When the rapid rise in gold caused the bonds to be forwarded to an extent which caused reaction, at the same time the Confederate bonds rose to 80 in London, the semi-annual drawing on these bonds took place, and was paid in specie, making about one-sixth of the loan of $15,000,000 that has been paid off from the proceeds of cotton, a large portion of which found its way from Texas, where it appears that the growing cotton crop will be as large this year as ever it was, owing to the amount of negro labor that has been transferred thither from Louisiana, Mississippi, and Alabama, the region of the war movements. Picking is now in progress, and the probable yield is represented to be more than 450,000 bales. What this is to the South now may be partially judged when it is known that all of the other Southern States combined will not make an equal amount this year. Texas has suffered, and still suffers, from the war, but her losses are nothing compared to those of other Southern States; or as measured by her own abilities. From the frontier of Texas, large quantities of Cotton are finding their way into Mexico, and thence to Europe.

The sales of United States Stocks caused by the low prices abroad, and the fall of exchange here, did not materially affect New York prices, which were as follows:

PRICES UNITED STATES PAPER.

	—6's, 1881.— Reg.	Coup.	5's, 1874.	7 3-10, 3 years.	1 year certif. Old.	New.	Gold.
January 2..	104¾	105½	96	106½	101½	97¾	151½ a 151⅝
" 9..	104¾	105½	96	106½	102	97¾	152 a 152½
" 16..	104	105½	96	106½	102½	97⅞	155 a 155½
" 28..	106	107	97	107·	103	97	156 a 158
" 30..	106¾	106	100	107½	102¾	97¾	156½ a 156⅝
February 6..	107¾	107½	100	108	102¾	98⅝	159⅝ a 159⅝
" 13..	109¾	109¾	100	109½	103	98⅝	159½ a 159½
" 20..	111½	110	100	111	103	99½	159⅝ a 161
" 27..	111½	110½	100	111	103	99½	159⅝ a 161
March 5..	111½	111	100	111	103½	99⅝	161½ a 161½
" 12..	112	112	100	110½	103	99⅝	162½ a 162⅝
" 19..	112	112½	100	110½	103	99½	162 a 162½
" 26..	112	112½	100	111½	103	99½	169⅝ a 179

April	2..	111	110	100	111	...	99½	166⅝ a 167⅜
"	9..	112	112	102	111½	...	99½	169½ a 170
"	16..	107½	112½	102	112	...	99	173 a 189
"	23..	105½	108	109	109	...	97	174⅛ a 179
"	30..	114	114	102	111	...	98½	179½ a 179⅝
May	7..	113	113	102	109½	...	98½	173⅛ a 173⅝
"	14..	114	114½	102	111	...	98½	172½ a 172½
"	21..	114	114	102	111	...	98½	183 a 183½
"	28..	114	114	102	111	...	98½	186 a 186½
June	4..	109	113½	102	109⅛	...	98	190⅛ a 191
"	11..	108	113	102	108½	...	97½	198½ a 198⅝
"	18..	107	112	102	107	...	97	195½ a 196
"	25..	104½	112	102	106½	...	96½	212 a 216
July	2..	104½	111	102	105½	...	94	235 a 240
"	9..	104	104	102	105	...	94	266½ a 267
"	16..	102⅝	102⅝	102	103½	...	94½	244 a 285
"	23..	102½	102½	102	103½	...	92½	250 a 268
"	30..	107	107	98	107⅛	...	95½	251 a 251½
Aug.	6..	106½	105½	99	107½	...	94½	260 a 260½
"	13..	106⅝	107	100	108	...	95	256½ a 256
"	20..	108½	108½	100	110	...	94⅞	257½ a 257½
"	27..	109½	109½	100	111½	...	95	254 a 255
Sept.	3..	107	107	100	111	...	93⅝	254 a 254½
"	10..	107	108½	100	111	...	93½	234 a 233
"	17..	108	108½	100	110½	....	93½	222½ a 222⅝

These prices carry the interest on and for the 6's of 1881. on which there is three months interest, the net price is 104½, which is equal to 45 cts. per dollar gold piece. The price of registered 5-20's here is in gold, less accrued interest, 44, and the last London quotation was 39, giving a slightly higher rate in New York than in London. The large sales that have been made of United States gold interest stock, at less than 40 cts. per dollar, is a matter of great anxiety, since it will be a matter of great future hardship for the country to return $5 for $1 received.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

NATIONAL BANKS, THEIR NUMBER AND CIRCULATION—GOVERNMENT ISSUES OF COMPOUND NOTES—THE OLD BANKS, THEIR CIRCULATION AND LOAN TO GOVERNMENT—BANK RETURNS OF NEW YORK, PHILADELPHIA, AND BOSTON—NEW YORK BANK DIVIDENDS—FINANCES OF GREAT BRITAIN—THE COTTON TRADE—RETURNS OF BANK OF ENGLAND AND BANK OF FRANCE.

THE general banking movement has not been very important in the last month. The leading feature, however, is the great increase in National Bank circulation which has taken place, and which threatens to go on until the whole amount, $300,000.000, authorized by law is added to the present redundant mass of paper. The following table shows the amount of capital in each State at the close of August and the close of June:

	June 30.	August 31.
Maine	$1,862,975 00	$2,100,000
New Hampshire	500,000 00	660,000
Vermont	1,199,141 22	1,310,000
Massachusetts	13,775,635 00	15,551,000
Connecticut	3,977,555 00	4,825,000
Rhode Island	500,000 00	500,000
New York	19,066,808 74	20,133,800
Pennsylvania	9,203,417 34	10,215,900
New Jersey	1,513,870 00	2,220,000
Maryland	1,560,000 00	1,550,000
Virginia	95,025 00	100,000
Louisiana	500,000 00	500,000
Ohio	9,180,505 02	10,042,400
Indiana	3,422,664 97	3,443,000
Michigan	1,114,243 36	1,362,500
Illinois	2,828,365 00	4,007,900
Kentucky	206,000 00	200,000
Missouri	1,605,370 00	1,709,000
Nebraska Territory	39,037 00	50,000
West Virginia	155,510 00	204,000
District of Columbia	500,000 00	500,000
Delaware	100,000 00	360,000
Wisconsin	858,160 00	997,000
Minnesota	250,000 00	300,000
Iowa	832,900 00	1,245,000
Kansas	82,000 00	100,000
Tennessee	250,000 00	350,000
Total	$75,213,945 35	$81,485,500
Bonds deposited—		
6 per cent registered	18,168,750 00	28,561,000
5 do do	5,548,100 00	7,637,000
6 per cent coupon	18,012,100 00	17,963,100
5 do do	2,537,900 00	2,610,900
Total	$44,266,850 00	$46,524,100
Circulation	31,285,270 00	44,225,210

The amount of capital subscribed during the month of August was $2,608,600, and the amount of circulation issued was $7,897,950. Under the pressure for money, and the demand for small notes to send to the army, the issue of National Bank notes was very active, and the prospect is that, by January 1, the amount outstanding will reach $75,000,000. In the first week of September, the whole number of National Banks reached five hundred and eight, with a total capital of eighty-three millions three hundred and sixty-four thousand dollars.

The issue of currency to the National Banks, for the two weeks ending Saturday, September 17, were $4,623,250. The total that date amounted to fifty millions four hundred and seventy-seven thousand seven hundred and fifty dollars.

This process of issuing notes merely adds to the redundancy of paper and the rise in prices, causing the National expenses to increase in the direct ratio of the advance. It is quite possible that the extra expense thus caused to the Government per annum is equal annually to the whole issues of these institutions. In addition to which they draw, for the present issues, $2,700,000 in gold interest from the Treasury. The accumulation of these notes is accompanied by a curtailment of one class of Treasury notes by substituting another. Thus there

have been issued by the department $214,000,000 of interest bearing Treasury notes, which are for their face a legal tender for all debts except duties. These are being rapidly supplanted with Treasury notes, called compound, that are a legal tender for all debts except duties and the *redemption of bank notes.* Of these about $80,000,000 have been substituted. Soon all the interest bearing notes will be of that description. There will then remain only greenbacks which will be the medium of redemption for the bank notes, now being so rapidly pushed out. The time is near, therefore, when the redundancy of these notes will cause them to be rushed in for redemption, and, by putting the new Banks on the defensive, will compel them to keep more greenbacks on hand, since under the new law there is less room to evade redemption than before. The struggle between the National Banks for greenbacks has already been severe.

The old Banks, as a general thing, are reducing their outstanding circulation. Those of the City of New York have reduced the amount to $4,169,513, which is one-third the amount outstanding last January. The New York institutions were much pressed for money to meet the instalments due on the loan contracted during the month by the Treasury, although the Secretary agreed to take 5 per cent legal tenders, and allow the interest. The banks held a quantity of 6 per cent deposit certificates, which they were compelled to call in. Accordingly, the Associated Banks voted to do away with the Clearing-House certificates, issued by Mr. CISCO, and make their clearings in legal tender. By this arrangement the $12,500,000 on temporary deposit at the Sub-Treasury would have been withdrawn, and the Government would have lost the use of this money at a moment when they were much in want of it. The new Assistant-Treasurer, Mr. STEWART, made a proposition to the Banks to issue 5 per cent certificates, instead of 6 per cent as heretofore, and make them payable in legal tenders on demand, instead of, as before, at ten days. The Associated Banks accepted this proposition, with only one dissenting voice, and rescinded their resolution making exchange in legal tenders. The ten days' notice for the $12,500,000 was therefore withdrawn. This had the effect, to some extent, to restore confidence and diminish the stringency in money.

The returns of the New York Banks show the following features:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $————; *Jan.*, 1863, $69,494,577.)

Date.		Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
January	2,..	$174,714,465	$25,161,935	$6,103,331	$140,250,856	$300,753,147
"	9,..	173,009,701	25,122,002	6,032,546	134,861,977	387,546,217
"	16,..	165,991,170	23,884,264	6,008,182	130,311,046	416,962,806
"	23,..	162,925,880	24,077,513	5,049,807	130,136,203	460,811,543
"	30,..	162,296,896	24,203,632	5,913,558	130,665,415	427,806,608
February	6,..	163,076,846	24,070,791	5,974,762	133,849,042	425,430,985
"	13,..	165,090,329	23,521,453	5,916,707	140,464,616	467,751,745
"	20,..	168,302,935	22,523,918	5,908,394	148,014,106	514,887,411
"	27,..	174,928,205	22,301,687	5,907,851	154,875,059	575,442,304
March	5,..	182,317,378	21,188,034	5,937,167	158,999,668	518,951,433
"	12,..	189,757,746	20,750,405	5,918,807	168,044,977	688,822,273
"	19,..	198,229,513	21,059,542	5,889,197	169,637,975	618,338,858
"	26,..	199,372,437	20,425,504	5,514,139	168,315,904	576,253,989
April	2,..	203,993,131	19,526,665	5,708,908	171,151,297	676,372,745
"	9,..	204,333,192	20,924,287	5,804,511	170,513,020	658,352,112
"	16,..	198,703,699	21,687,670	5,779,650	168,350,790	646,593,643

"	23,..	196,286,722	24,868,003	5,679,947	161,978,166	672,442,840
"	30,..	194,157,495	24,087,343	5,626,978	164,578,919	446,587,420
May	7,..	192881,246	23,082,028	5,594,832	168,562,197	410,052,013
"	14,..	194,178,921	22,635,155	5,482,357	174,426,682	413,552,127
"	21,..	197,356,939	22,091,691	5,367,355	173,111,884	486,884,114
"	28,..	195,813,462	21,978,180	5,240,812	171,765,696	410,972,198
June	4,..	196,740,609	22,461,604	5,180,639	174,516,367	477,648,207
"	11,..	194,935,822	24,041,704	5,049,457	172,537,248	445,519,165
"	18,..	195,773,583	22,916,291	4,959,096	169,445,767	431,158,427
"	25,..	197,077,002	22,000,988	4,807,195	158,772,982	442,840,362
July	2,..	198,089,016	21,206,685	4,752,917	154,989,844	452,583,531
"	9,..	199,699,742	20,084,917	4,696,107	153,525,977	336,521,426
"	16,..	199,043,887	21,234,854	4,724,538	151,816,947	466,125,408
"	23,..	190,885,761	21,033,912	4,688,892	147,981,325	403,144,195
"	30,..	185,838,480	21,051,896	4,553,426	152,929,633	399,439,739
August	6,..	185,563,507	21,159,518	4,522,728	153,279,263	415,360,181
"	13,..	185,074,244	21,080,309	4,417,804	155,826,514	422,879,926
"	20,..	185,998,407	20,794,268	4,846,658	156,536,217	382,685,847
"	27,..	188,502,729	19,952,949	4,256,847	156,036,807	406,296,866
September	3,..	189,414,631	20,136,547	4,200,950	151,068,566	436,361,918
"	10,..	187,285,127	20,603,881	4,181,616	147,967,942	435,795,830
"	17,..	186,317,519	20,185,315	4,169,513	146,378,542	498,191,745

The New York Bank dividends, for January and July, were as follows:

Names of Banks.	Capital.	1862.	1863.	1864. Jan.	1864. July
Atlantic	$300,000	0	0	4	4
Bank of America	3,000,000	7	8	5	5
Bank of Commerce	10,000,000	6	7½	4	4
Bank of New York	3,000,000	6	7½	5	5
Bank of North America	1,000,000	6½	7½	4	4
Bank of Commonwealth	750,000	6	7	4	5
Broadway	1,000,000	10	11	*10	*10
Butchers and Drovers'	800,000	10	10	5	5
Chatham	450,000	0	7	4	5
Chemical	300,000	24	24	†6	‡6
Continental	2,000,000	6	6½	8½	4
East River	206,525	7	7	3½	4
Grocers'	300,000	7	8	5	5
Hanover	1,000,000	3	7½	4	5
Importers and Traders'	1,500,000	6½	7½	5	4
Irving	500,000	0	0	3½	4
Manufacturers and Merchants'	500,000	6	6½	4	4
Market	1,000,000	6	7	4	4
Mechanics'	2,000,000	7	7½	4	5
Mercantile	1,000,000	8	9	5	5
Merchants' Exchange	1,235,000	6	7½	3½	4
Metropolitan	4,000,000	6	11	4	5
Yew York County	200,000	6	8½	5	5
New York Exchange	150,000	7	8	6	§0
North River	400,000	3½	7	3½	5
New York Dry Dock	200,000	7	7	3½	3½
Park	2,000,000	8	9	‡15	5
People's	412,500	7	7	4	4
Phenix	1,800,000	6	7	4	4
Seventh Ward	500,000	10	10	5	5
Tradesmen's	1,000,000	6½	7	5	6
Bull's Head	200,000	0	0	‡3	‡3
Capital	$42,704,025				

* Including 4 per cent extra. † Quarterly dividend. ‡ Including 10 per cent extra. § Re-organized under National Bank act.

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1862, $11,970,130.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,...	$35,698,808	$4,153,585	$2,055,811	$29,878,920	$4 316.763	$2,963,563
" 11,...	35,458.967	4,158,235	2,050,891	30,484.227	4,001,473	2,814,188
" 18,...	34,896,842	4,158,125	2,044,427	31,194,851	4,330,120	3,063,148
" 25,...	34,849,959	4,103,065	2,047,846	32,354,253	3,500,693	2,905,921
Feb. 1,...	34,345,126	4,108,109	2,056,532	32,027,147	3,453,431	3,271,306
Feb. 8,...	34,146.677	4,162,671	2,066,069	31.033,030	4,080,059	2,461,873
" 15,...	34,590,880	4,102,748	2,069,061	29,911,704	4 322.609	2,080,750
" 22,...	35,059.676	4,102,588	2,119,488	30,783,741	4,463.751	2,099,778
" 29,...	35,519,704	4,102,848	2,167,348	31,435,753	4,837,264	2,114,227
Mar. 7,...	35,918.384	4,102,632	2,208,492	31,712,547	5,528,316	2,116,042
Mar. 14,...	35,956.678	4,099,707	2,308,250	32,511,405	5,508 146	2,333,819
" 21,...	36,412,923	4,099,664	2,340,182	32,835,038	6,933,974	2,428,227
" 29,...	36,695,415	4,096,401	2,357,768	33,156,496	5,791.191	2,724,935
April 4,...	37,262,220	4,095,495	2,390,092	34,404,607	5,641,638	3,425,805
" 11,...	37,032,110	4,093,461	2,379.827	35,958,444	5,855,277	3,799,151
" 18,...	39,535,334	4,095,387	2,329,590	38,174,046	5,748,257	3,291,176
" 25,...	39.570.567	4.095,475	2,253.386	37,893,247	6,067,966	2,592,465
May 2,...	39,770,486	3,972 349	2,241,885	37,758,836	6,374,531	2,730,540
" 9,...	39,659.436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 16,...	39.262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,853,894
" 23,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636.576	2,786.080
" 30,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,858,894
June 7,...	39,723,493	3,694,320	2,100,927	38,249,800	5,993,116	3,186,259
" 14,...	40,286,483	3,964,758	2,077,753	38,367,171	5,930,707	3,007,283
" 21,...	40,286,488	3,964,529	2,074,273	37,588,203	6,403,664	2,998,548
" 27,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
July 4,...	40,918,009	3,955,836	2,154,258	37,945,305	6,225,952	4,325,450
" 11,...	40,717,527	3,949,105	2,337.651	37,312,423	6,197,570	4,658,667
" 18,...	40,731,824	3,948,440	2,208,063	36,462.271	6,189,843	3,616,992
" 26,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
Aug. 2,...	39,277,980	3,962.385	2,249.226	36,520,768	6,(59,048	3,816,165
" 9,...	39,142,449	3,962,367	2,231,394	37,284,436	5,992,712	3,785.89
" 16,...	39.353,341	3,962,313	2,214,929	36,826,674	5,801,231	3,691.201
" 24,...	39,401,423	3,962,154	2,222.401	35,869,084	5,738,141	3,891,137
" 31,...	39,778,594	3,972,413	2,361,745	35,603,148	6,070.333	3,704.273
Sept. 7,...	40,331,268	3,962,395	2,454,060	34,931,231	6,119,371	3,419,624
" 14,...	40,885,872	3,962,353	2,524,005	35,039,636	6,071,768	3,047,313
" 21,...	42,404,383	3,961,342	2,574,571	35,913,425	6,031,204	3,031,281
" 27,...	41,839,955	3,960,464	2,510,809	34,838,109	6,121,101	3,057,381

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1862, $38,231,700.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,..	$76,805,843	$7,503,889	$9,625,043	$32,625,679	$12,831,000	$12,351,500
" 11,..	77,747,784	7,531,195	10,185,615	31,524,185	12,703.600	11,019,000
" 18,..	75,877,427	7,464,511	9,963,389	31,151,210	12,041,000	11,769.000
" 25,..	74,146,000	7,440,000	9,729,000	30,893,000	11,106,700	12,227.000
Feb 1,..	73,959,175	7,385,413	9,660,163	30,655,782	10,825,000	11,854,500
" 8,..	71,765,122	7,265,104	9,579,020	30,030,292	11,815,000	12,272,000
" 15,..	71,088,849	7,224,924	9,741,471	30,412,647	11,615,000	13,448,000
" 22,..	71.074,000	7,215,500	9,411,000	31,831,000	11,329,600	14,925,404
" 29,..	72,189,003	7,179,310	9,371,440	33,155,888	12,224,603	16,189,720
Mar. 7,..	72,687,368	7,108,519	9,606,318	33,688,017	12,313,829	16,535,992
" 14,..	72,105,111	7,052,181	9,490,311	33,891,204	12,704,181	17,315,231
" 21,..	73,207,121	7,033,721	9,548,211	35,090,181	13,092.531	17,266,741
" 28,..	73,485,514	7,016,086	9,210,096	34,859,508	13,352,706	17,071.731
April 4,..	71,838,506	6,856,708	9,442,982	32,861,609	13,601,005	15,786,092

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
" 11,..	72,620,348	6,982,192	10,447,916	33,324,978	15,094,360	17,362,371
" 18,..	72,328,896	6,869,726	10,331,806	33,510,054	14,447,997	17,054,244
" 25,..	72,538,611	6,952,498	10,938,991	31,810,971	14,715,981	15,790,498
May 2,..	71,270,181	6,642,798	10,127,097	31,461,499	14,206,581	14,206,592
" 9,..	69,471,481	6,716,484	10,521,591	31,172,584	12,801,000	16,239,000
" 16,..	68,888,581	6,644,493	10,126,473	31,633,071	12,500,671	16,201,083
" 23,..	66,683,510	6,573,181	9,899,193	36,605,131	11,871,719	15,733,691
" 30,..	69,291,301	6,541,201	9,681,204	34,391,208	11,101,307	15,925,201
June 7,..	67,093,500	6,509,181	9,160,621	32,771,821	10,875,181	16,130,720
" 14,..	67,942,400	6,524,207	8,771,181	33,305,220	10,710,089	15,057,131
" 21,..	68,880,121	6,507,021	8,983,121	32,740,201	11,681,602	14,790,012
" 28,..	69,691,000	6,470,600	9,068,712	30,865,101	12,260,080	12,872,111
July 5,..	66,950,111	6,290,521	9,574,009	29,940,102	11,880,312	13,809,002
" 12,..	66,452,107	6,301,101	9,936,491	32,260,004	11,306,002	13,434,528
" 19,..	66,079,000	6,246,211	9,890,081	30,584,101	10,003,181	13,942,001
" 26,..	59,973,511	5,733,010	9,775,481	27,905,491	9,151,111	13,473,621
Aug 2,..	59,760,398	5,729,431	9,327,101	27,866,201	8,947,021	13,039,587
" 9,..	60,655,181	5,734,101	9,685,671	27,806,030	9,842,621	13,261,654
" 16,..	61,175,211	5,665,981	9,538,841	27,773,821	9,855,921	12,798,821
" 23,..	61,817,002	5,660,911	9,567,921	27,221,781	10,052,871	12,007,481
" 30,..	61,960,481	5,681,871	9,636,000	26,495,100	10,110,000	11,618,931
Sept. 6,..	62,211,931	5,744,898	10,100,400	25,884,487	10,535,000	11,526,011
" 13,..	61,818,600	5,759,033	10,274,852	25,015,286	10,152,979	11,142,930
" 20,..	61,863,582	5,820,671	10,420,810	24,722,891	10,530,000	11,237,080
" 27,..	58,352,671	5,637,921	10,280,431	23,582,981	10,958,781	10,197,691

At the date of our last number the returns from the Bank of England were such as to indicate a further rise in the rate of interest, which has continued for an unusually long period of time, and still with an upward tendency. The moving cause seems the cotton trade. The shutting up of the American ports in 1861 through out of employment a very large amount of capital before employed in buying, manufacturing, and selling cotton, while at the same time there was as a consequence of the closing of the trade, a rise in the value of old stocks of cotton goods all over the world. Hence it could not be otherwise than that money should be very cheap, and 1½ a 2 per cent was the rule in 1862. Gradually that cheap money stimulated new occupations, and later the credit of corporate companies in all parts of the world has drawn largely upon English capital. The rise in the price of cotton has also stimulated its production to a great extent all over the world, and the sale of it in England has so increased as to create an alarming drain upon her resources. The extent to which this has proceeded may be seen in the following table of the value of cotton imported into Great Britain and the exports of cotton goods in six months of each of the last three years:

From.	1862.	1863.	1864.
United States.....	£226,937	£69,593	£1,245,954
Bermudas.....	.....	684,718	2,038,809
Mexico.....	.....	425,343	1,836,733
Brazil.....	617,889	1,149,928	2,362,974
Turkey.....	.....	340,708	1,296,529
Egypt	2,144,591	4,336,874	8,952,379
India	3,914,012	9,193,049	15,023,536
China.....	.....	793,888	3,570,152
Other countries.....	785,794	867,185	1,531,226
Total.....	£7,689,223	£17,811,281	£37,858,292
Exports cotton goods....	17,882,132	19,094,206	26,384,995

This gives an immense reverse in trade. In 1862 there was a ratio of $50,000,000 more goods exported than cotton imported. This year in six months $100,000,000 more has been paid for cotton than has been received for goods. It is not therefore a matter of surprise that exchanges pass pertinently against England in spite of the continued high rate of interest, or that just fears are entertained that any injury to the crops would precipitate a crisis. The Bank returns are as follows:

THE BANK OF ENGLAND RETURNS.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 2,...	21,685,732	7,284,894	12,924,545	31,980,589	13,048,475	8 per ct
" 9,...	20,801,207	8,629,856	12,981,276	32,622,659	13,008,617	8 "
" 16,...	20,382,764	9,103,738	13,265,068	32,303,049	13,675,474	7 "
" 23,...	20,273,799	10,266,546	12,711,637	32,270,286	14,217,067	7 "
" 30,...	20,686,538	10,841,991	13,021,212	33,438,154	14,362,605	7 "
Jan. 6, '64	21,322,304	10,001,982	13,052,604	33,486,952	14,196,754	7 "
" 13,...	21,396,420	5,264,097	15,411,794	31,726,575	11,708,597	7 "
" 20,...	21,445,793	5,689,074	13,879,877	31,445,860	12,974,109	8 "
" 27,...	20,875,825	6,337,246	13,406,627	31,017,449	13,022,220	8 "
Feb. 3,...	21,162,626	6,748,867	13,372,981	31,436,384	13,303,243	8 "
" 10,...	20,708,113	7,254,682	12,882,226	36,928,317	13,472,271	7 "
" 17,...	20,696,172	7,079,789	13,306,156	31,078,328	13,583,635	7 "
" 24,...	20,207,871	8,153,601	12,426,673	30,504,827	13,819,412	6 "
March 2,...	20,840,374	7,893,633	13,541,278	31,980,446	14,034,222	6 "
" 9,...	20,563,825	8,863,864	12,434,975	31,769,311	13,884,389	6 "
" 16,...	20,333,112	8,570,711	13,105,800	31,929,164	13,946,943	6 "
" 23,...	20,866,705	9,841,323	12,480,154	32,112,543	14,499,201	6 "
" 30,...	20,908,644	10,280,458	12,658,986	33,472,484	14,163,519	6 "
April 6,...	21,528,914	9,818,680	13,348,299	34,223,509	13,616,762	6 "
" 12,...	21,785,597	5,929,922	13,586,029	31,385,305	13,080,300	6 "
" 20,...	21,672,783	5,787,329	13,684,069	31,596,179	12,743,302	7 "
" 27,...	21,484,602	6,217,965	12,620,036	30,961,635	12,567,776	7 "
May 4,...	22,045,792	6,981,132	12,278,903	32,070,427	12,454,244	9 "
" 11,...	21,478,987	7,299,434	12,901,160	32,239,210	12,705,251	9 "
" 18,...	21,313,352	7,568,661	12,962,402	31,855,696	13,267,446	8 "
" 25,...	20,868,047	7,971,003	12,882,042	31,297,181	13,713,943	7 "
June 1....	21,246,840	8,286,719	12,493,776	31,329,121	14,052,761	7 "
" 8,...	20,766,405	8,748,510	11,966,204	30,711,740	14,043,129	7 "
" 15,...	20,597,557	8,512,311	12,790,361	30,884,192	14,304,205	6 "
" 22,...	20,623,207	9,287,594	13,051,661	31,948,856	14,319,061	6 "
" 29,...	21,153,606	10,213,535	12,890,244	33,297,897	14,197,849	6 "
July 6,...	21,890,063	9,489,130	13,471,415	34,286,592	13,930,809	6 "
" 13,...	22,161,001	4,683,803	15,082,746	31,637,509	13,701,112	6 "
" 20,...	22,302,688	4,462,490	13,408,675	30,471,085	13,171,561	6 "
" 27,...	22,158,547	4,961,046	13,719,621	31,346,657	12,996,685	8 "
Aug. 3,...	22,489,710	5,155,704	13,519,626	31,909,793	12,877,483	8 "
" 10,...	21,881,314	4,968,222	14,419,766	32,202,646	12,609,925	8 "
" 17,...	21,554,139	5,145,800	13,950,446	31,594,936	12,725,759	8 "
" 24,...	21,047,048	5,288,725	13,714,161	30,861,710	12,831,751	8 "
" 31,...	21,289,324	5,815,742	13,078,751	31,058,341	12,980,033	8 "
Sept. 7,...	21,367,124	6,022,373	12,904,085	31,202,405	12,970,447	9 "

The aggregate British trade continues very large, but there is a disposition of capital to leave Britain, which the continued high rate of money restrains, and which rate is seen in the decline in consols, they being lower now than for many years. The large German interest in United States bonds have absorbed a sum which the low rate of consols might otherwise have attracted to London.

In France the rate of money is more steady, and it is remarkable that the

Bank of France is enabled to keep her rate at 6 per cent or 2 per cent under that of England, and with very little variations. The returns of the Bank interest are as follows:

BANK OF FRANCE.

	Loans.	Specie.	Circulation.	Deposits.	Interest.
January —	fr.751,649,983	fr.169,027,010	fr.813,490,825	fr.159,797,667	7
February —	705,516,796	182,573,888	775,096,775	160,110,225	7
March —	642,135,993	195,994,738	746,610,375	142,925,719	6
April —	643,570,276	219,320,720	759,926,425	133,701,530	6
May —	683,332,517	242,824,609	767,443,475	178,434,305	8
June —	577,309,524	294,892,295	725,381,925	156,685,209	6
" 23,	594,563,973	280,511,406	720,243,375	144,559,768	6
" 30,	676,605,538	277,544,816	766,609,875	165,668,712	6
July 7,	662,197,524	276,522,727	772,309,475	170,022,200	6
" 14,	667,187,446	266,890,961	792,819,275	152,242,482	6
" 21,	639,299,542	269,810,253	788,378,725	135,282,170	6
" 28,	642,692,154	276,162,420	791,673,525	144,636,985	6
August 4,	634,904,899	276,790,393	786,629,625	157,810,891	6
" 11,	633,495,575	272,433,487	777,023,925	148,866,812	6
" 18,	627,110,297	276,200,183	769,096,425	139,746,017	6
" 25,	615,885,942	280,595,089	767,100,725	130,431,547	6
September 1,	618,948,683	279,353,778	767,763,725	141,075,120	6
" 8,	618,030,503	281,021,082	752,214,625	137,349,361	7

The imports and exports of silver and gold into and from France have been as follows for six months of 1864:

	Silver.	Gold.
Imported.....francs	158,957,788	281,437,374
Exported.....	196,819,685	184,231,842
Excess exports.....	37,861,897	.....
Excess imports.....	.....	97,205,532

Thus the exchange of gold for silver seems to keep up a steady current, with, however, an aggregate increase of coin in France.

PNEUMATIC RAILWAYS.

The power employed by the Pneumatic Despatch Company of London, in the conveyance of letters and parcels, has from time to time, in years past, been used in an experimental way to propel cars, but never very successfully. We can, however, see no reason why it should fail if properly applied. A series of experiments were made, the latter part of August, at Sydenham, in the Crystal Palace grounds, with, it is said, far more favorable results than ever before. The trial was on the model Pneumatic Railway recently constructed under the superintendence of Mr. RAMMELL, C. E., and was conducted in the presence of several eminent engineers and scientific men. A brickwork tunnell, about 10 feet high by 9 feet wide, and capable of admitting the largest carriages used on the Great Western Railway, was laid with a single line of rails, fitted with opening and closing valves at either extremity, and supplied with all the other re-

quisite apparatus for propelling passenger trains on the pneumatic principle. The tunnel, or tube, is described by the *Ironmonger* of London as extending from the Sydenham entrance of the grounds to the Armoury, near the Pengegate, a distance of nearly 600 yards. The object of laying down this experimental line was to afford, both to the scientific world and the travelling public, a practical demonstration of the applicability to passenger traffic of the motive power employed, as we have already stated, by the Pneumatic Despatch Company in the conveyance of letters and parcels. The pneumatic principle of propulsion is very simple. It has been likened to the action of a pea-shooter—a rough kind of comparison, perhaps, yet one sufficiently accurate as a popular illustration. The tunnel may be taken to represent the pea-shooter, and the train the pea, which is driven along in one direction by a strong blast of air, and drawn back again in the opposite direction by the exhaustion of the air in front of it. The train may be said, in fact, to be blown through the tube on the down journey, and sucked through it on the return journey. It must not, however, be supposed that the passengers are deposited at their destination with a sudden jerk, as the simile we have used might seem to imply. Such an inconvenience is entirely obviated by the mechanical arrangements employed. The motion is throughout smooth, easy, and agreeable, and the stoppages are effected gently and gradually. Indeed, when it is considered that the curve in the tunnel is unusually sharp, being of eight chains radius, and that the gradients are as high as 1 in 15, it is surprising that the motion should be so much steadier and pleasanter than ordinary railway travelling. The journey of 600 yards was performed either way in about 50 seconds, with an atmospheric pressure of only 2½ ounces to the square inch; but a higher rate of speed, if desirable, can easily be obtained consistently with safety. Indeed, one great incidental advantage of this species of locomotion is, that it excludes all risk of the collisions occasionally attendant on railway travelling; for it is plain that no two trains could ever run full tilt against each other where all the propelling force is expended in one direction at one time. The worst mishap which it is said could well happen is that, owing to some sudden failure in the machinery, the train might be abruptly brought to a dead stop in the middle of the tunnel, when the passengers would have to alight from the carriages and grope their way as best they could out of the tube. Such a predicament certainly would not be enviable, but it might be more ludicrous than dangerous. Whether in such a contingency there is any possibility of another train being started before they had safely made their exit, or any risk of their sharing the fate of frogs placed under an exhausted air-pump, we do not venture to assert; but probably the scientific engineer could guarantee the traveller against any such novel peril. The train used on the trial consisted of one very long, roomy, and comfortable carriage, resembling an elongated omnibus, and capable of accommodating some 30 or 35 passengers. Passengers enter this carriage at either end, and the entrances are closed with sliding glass doors. Fixed behind the carriage there is a framework of the same form, and nearly the same dimensions, as the sectional area of the tunnel; and attached to the outer edge of this frame is a fringe of bristles forming a thick brush. As the carriage moves along through the tunnel the brush comes into close contact with the arched brickwork, so as to prevent the escape of the air.

With this elastic collar round it, the carriage forms a close-fitting piston, against which the propulsive force is directed. The motive power is supplied in this way :—At the departure station a large fan-wheel, with an iron disc, concave in surface and 22 feet in diameter, is made to revolve by the aid of a small stationary engine at such speed as may be required, the pressure of air increasing, of course, according to the rapidity of the revolutions. and thus generating the force necessary to send the heavy carriage up a steeper incline than is to be found upon any existing railway. The disc gyrates in an iron case resembling that of a huge paddlewheel ; and from its broad periphery the particles of air stream off in strong currents. When driving the air into the upper end of the tunnel to propel the down-train, fresh quantities rush to the surface of the disc to supply the partial vacuum thus created ; and, on the other hand, when the disc is exhausting the air in the tunnel with the view of drawing back the up-train, the air rushes out like an artificial hurricane from the escape valves of the disc case, making the adjacent trees shake like reeds and almost blowing off his feet any incautious spectator who approaches too near it.

When the down journey is to be performed, the breaks are taken off the wheels, and the carriage moves by its own momentum into the mouth of the tube, passing in its course over a deep air well in the floor, covered with an iron grating. Up this opening a gust of wind is sent by the disc, when a valve, formed by a pair of iron doors, hung like lock-gates, immediately closes firmly over the entrance of the tunnel, confining the increasing atmospheric pressure between the valve and the rear of the carriage. The force being thus brought to bear upon the end of the train, the latter, shut up within the tube, glides smoothly along towards its destination, the revolving disc keeping up the motive power until it reaches the steep incline, whence its own momentum again suffices to carry it the rest of the distance. The return journey, as above indicated, is effected by the aid of the exhausting process. At a given signal a valve is opened, and the disc wheel set to work in withdrawing the air from the tube. Near the upper end of the tube there is a large aperture, or side-vault, which forms the throat through which the air is, so to speak, exhaled, the iron doors at the upper terminus still being kept shut. In a second or two the train posted at the lower terminus, yielding to the exhausting process going on in its front, and urged by the ordinary pressure of the atmosphere from behind, moves off on its upward journey, and rapidly ascending the incline approaches the iron gates, which fly open to receive it, and it emerges at once into daylight. Such is the mode in which the system works, and it seems capable of being adapted to railway communication wherever tunnelled lines with steep gradients exist. The chief obstacles encountered in practically working the atmospheric railway, introduced some fifteen years ago, are considered to have been effectually overcome by the present modification of the principle. Under the former system the tube was of very small size, and fixed upon the ground ; a longitudinal or continuous valve opening at the top, along which a rod, connecting the piston with the carriages, passed, and the valve closing behind the rod as it moved onwards. The amount of atmospheric pressure required to be exerted where the area of the tube was so small was enormous, being from 7 pounds to 10 pounds per square inch ; whereas upon Mr. RAMMELL'S principle the pressure is only 2½ ounces per square

inch, and, moreover, the great leakage and waste of power which rendered the old atmosphere system so costly in working are here in great measure avoided. It need hardly be added, that, the worst drawbacks to travelling through tunnels —viz., the smoke and sulphureous vapours emitted from the locomotive, and the close, unwholesome atmosphere of the tunnels themselves—are in this case got rid of. Every train, in fact, carries its own supply of fresh air along with it, and also expels the foul air before it.

MINERAL STATISTICS OF GREAT BRITAIN AND IRELAND FOR 1863.

COAL, IRON, COPPER, TIN, LEAD, ZINC, AND GOLD.

We obtain from the published reports, for 1863, the following respecting the mineral wealth of the United Kingdom :—

COAL.

Of this, the most important mineral product, the enormous quantity of 86,292,215 tons was obtained in 1863, being an increase of more than 4,500,000 tons upon the produce of 1862. The exports of coal in the three last years have varied but little in amount. Thus, in 1861, 7,222,718 tons were exported; 1862, 7,671,670 tons; 1863, 7,529,341 tons. Hence it follows that there must have been greatly increased energy in some branches of British manufacture to account for this large consumption of coal. In 1862 it appears that considerable quantities were stocked, especially in Lancashire and other districts devoted to textile manufactures; this does not seem to have been the case last year, the whole being returned as "sold or used."

The great extension of coal-mining is shown by the fact that, in 1853, the number of colleries at work amounted to 2,397; whereas, in 1863, the number had risen to 3,180. In the great northern coalfields of Durham and Northumberland, we find the production of its collieries has increased from 19,360,356 tons in 1862, to 22,154,146 tons in 1863. At the same time, there has been a decrease of the quantities shipped to foreign countries and sent coastwise to the extent of 418,163 tons; but the North-Eastern Railway carried out of this coalfield 2,029,803 tons of coal and coke more than it transported in 1862.

In the returns given of coal production, the quantities wasted in "getting" and at the pit's mouth is not stated. It may be inferred that this is very large when we find the coal-trade of the north giving in their report the "duff and waste" from their own district as 500,000 tons. Taking this into consideration, it is evident that the rate at which the exhaustion of these coal beds is now progressing cannot be regarded as less than 90,000,000 tons per annum.

IRON.

The iron ore produce of the United Kingdom amounted to 9,088,060 tons in 1863. Of this the Cleveland district, in the North Riding of Yorkshire, produced 2,553,805 tons of argillaceous carbonate of iron; Scotland, 1,500,000

tons, principally of black band iron ore; while Lancashire gave 658,643 tons, and Cumberland 690,974 tons, of their remarkable red hæmatite. This iron ore, with about 50,000 tons imported, fed 597 blast furnaces, which yielded the following amounts of pig iron:—England, 2,451,211 tons; Wales, 898,829 tons; Scotland, 1,160,000 tons: total, 4,510,040 tons. This was 566,571 tons more pig iron than made in 1862. This will account for the extra consumption of very nearly 2,000,000 tons of coals.

COPPER.

The copper mines have, for some few years, exhibited a regular falling off in their rate of production. Two hundred and twenty-two copper mines, of which 190 are in Devonshire and Cornwall, gave 210,947 tons of copper ore, the money value of this being £1,100,554, or about $5,502,770. By smelting this ore 14,247 tons of fine copper is obtained. In addition to this 26,386 tons of copper ore were imported from foreign and colonial mines, which gave 4,461 tons of metal, sold at public sales; and 70,498 tons of copper ore, producing 17,509 tons of copper, were sold by private contract. Of the foreign ore there was imported from Chili 25,966 tons, and 18,708 tons of regulus, while Cuba sent 15,570 tons of ore and 858 tons of regulus.

TIN.

From the tin mines of Cornwall and Devonshire, in the year 1863, a larger quantity of tin was obtained than in all probability was ever before produced; the tin ore raised being 15,157 tons, which gave 10,006 tons of white (metallic) tin. When we remember that these tin mines have been most industriously worked for more than three thousand years, this return will convey some idea of the continued richness of this stanniferous district, and of the enormous value of the original deposit. We have recently been made acquainted with some curious facts connected with the mode of occurrence of tin in the "lode," or mineral vein. All the old tin mines were shallow workings, and many mines were abandoned at comparatively small depths when the miners "came to the yellows," by which they meant copper ore; the "yellows," as the phrase was, "always cutting out the tin." Dolcoath, and many other mines which were worked for tin, passed gradually into copper mines, and were then prosecuted to great depths for that metal. Passing, however, through the copper ore in the lode, the miners have again come into rich deposits of tin. From Dolcoath mine, at a depth of nearly 300 fathoms, the adventurers obtained, last year, 1,026 tons of tin ore, worth £69,741. Many other mines are exhibiting precisely the same conditions, and the belief that the ores of the valuable metal tin occur only near the surface is exploded. England imported, principally through Holland and from British India, *via* Singapore, 2,728 tons of tin and 559 tons of tin ore and regulus.

LEAD.

The lead mines of these islands produced 91,283 tons of lead ore, which yielded 68,220 tons of metallic lead, and 634,004 ounces of silver. The lead mines of the United Kingdom are more generally diffused than those of any other metal except iron—the counties producing the largest quantities being,—

	Lead Ore. Tons.	Lead. Tons.	Silver. Ounces.
Durham and Northumberland	22,774	17,205	81,315
Yorkshire	8,981	6,171	3,270
Denbighshire	7,919	6,432	29,797
Cardiganshire	7,131	5,661	58,846
Cumberlond	6,690	4,949	41,804
Cornwall	6,259	4,270	206,312

There appears to be a regular order in the increase of the quantities of silver contained in the ores of lead as we advance towards the southern and western counties.

ZINC.

Of zinc ores—*black-jack* of the miners, *blende* of the mineralogists—the mines produced 13,699 tons, which on smelting, gave of metallic zinc 3,835 tons. The zinc miners have, however, much difficulty in competing with the mines producing the ores of zinc on the Continent.

GOLD.

In the appendix to the mineral statistics we have a complete list of all the mines and collieries of the United Kingdom, with the names of the companies or proprietors working them. From this list we learn that there are 23 mines dignified with the names of gold mines in North Wales. We have, however, returns of gold from only two of these, and the total quantity obtained is only 552 ounces, of the value of £1,747. In 1862 Vigra and Clogan alone produced 5,299 ounces of gold of the value of £20,390. These results, after all the excitement about British gold mines which has been rife during the past four years, leading to the expenditure of very large sums of money upon the hills of Merionethshire, should read a lesson to eager adventurers.

The following tables place the whole question of the value of the mining operations of the United Kingdom at once before the eye:—

VALUE OF THE PRODUCTS OF THE MINES IN THE UNITED KINGDOM FOR 1863.

Minerals.	Quantity.	Value.
Gold quarts, tons	385	£1,500
Tin ore, tons	15,157	963,985
Copper ore, tons	210,947	1,100,554
Lead ore, tons	91,283	1,193,530
Silver ore, tons	88	5,703
Zinc ore, tons	12,941	29,968
Iron ore, tons	9,101,552	3,240,890
Pyrites, tons	95,376	62,035
Wolfram, tons	13	67
Uranium, cwts.	3	23
Gossans, tons	4,424	4,576
Arsenic, tons	1,444	1,200
Coals (sold and used), tons	86,292,215	20,572,945
Earthy minerals, estimated at	—	1,975,000
Total value of the minerals produced in 1863		£29,151,276

Or, about $145,759,880.

METALS PRODUCED FROM BRITISH MINERALS AND COALS.

	Quantity.	Value.
Gold, ounces	552	£1,747
Tin, tons	10,006	1,170,702
Copper, tons	14,247	1,409,608
Lead, tons	68,220	1,418,985
Silver, ounces	634,004	174,351
Zinc, tons	3,835	90,889
Iron (pig), tons	4,510,040	11,275,100
Total valve of the above		£15,541,382
Estimated value of other metals		250,000
Coals		20,572,945
Total value of the metals obtained, and coals produced in 1863		£36,364,327

Or, about $181,821,635.

THE NEW ALMADEN QUICKSILVER MINES.

THE following, which we find in the September number of the American *Journal of Science*, was written by Professor SILLIMAN, Jr., who is now in California:

The New Almaden Quicksilver Mines are situated on a range of hills subordinate to the main coast-range, the highest point of which at the place is 1,200 to 1,500 feet above the valley of San Jose. Southwest of the range which contains the quicksilver mines, the coast-range attains a considerable elevation, Mt. Bache, its highest point, being over 3,800 feet in height.

New Almaden is approached by the railroad running from San Francisco to San Jose, a distance of 45 miles. In the course of it there is a rise of 100 feet, San Jose being of this elevation above the ocean. From San Jose to New Almaden the distance is 13 miles, with a gradual rise of 150 or perhaps 200 feet.

The rocks forming the subordinate range in which the quicksilver occurs, are chiefly magnesian schists, sometimes calcareous and rarely argillaceous. As a group they may be distinguished as steatitic, often passing into well characterized serpentine. Their geological age is not very definitely ascertained, but they are believed by the officers of the State Geological Survey to be not older than Cretaceous. But few fragments of fossils, and these very obscure, have yet been found in these metamorphic rocks. At a point just above the *dumps*, behind the reduction works at the hacienda (or village,) there is an exposure, in which may be clearly seen in projecting lines the waving edges of contorted beds of steatite and serpentine, interspersed with ochery or ferruginous layers, more easily decomposed; and the partial removal of the latter has left the steatitic beds very prominent.

The mine is open at various points upon this subordinate range over a distance of 4 or 5 miles, in a northeast direction. The principal and the earliest workings of the mine were in a right line, but little more than a mile distant from the

hacienda. The workings are approached, however, by a well graded wagon road, skirting the edges of the hills, which is two and three-eighth miles in length.

It appears partly from tradition, and partly from the memory of persons now living, that the existence of cinnabar upon the hill was known for a long time prior to the discovery that it possessed any economic value. In fact, upon the very loftiest summit of this subordinate range, cinnabar came to the surface, and could be obtained by a slight excavation or even by breaking the rocks lying upon the surface. In looking about for physical evidences such as would aid the eyes of an experienced observer in detecting here the probable presence of valuable metallic deposits, one observes on the summit of the hill, at various points along the line of its axis for 2 or 3 miles, and also beyond, toward the place called Bull Run, occasional loose boulders of drusy quartz, with more or less well characterized geodes and combs; accompanying which is an ochraceous or ferruginous deposit, such as frequently forms the outcrop of metallic veins. There is, however, no such thing as a well characterized vein, the quartz and its associated metals occurring rather in isolated masses or bunches segregated out of the general mass of the metamorphic rocks, and connected with each other, if at all, somewhat obscurely by thread veins of the same mineral.

The main entrance to the mine at present is by a level about 800 feet long, and large enough to accommodate a full sized railroad and cars. This level enters the hill about 300 feet from its summit, and is driven into a large chamber, formed by the removal of a great mass of cinnabar, leaving ample space for the hoisting and ventilating apparatus employed in working the mine.

At this point a vertical shaft descends to an additional depth of nearly 300 feet, over which is placed a steam "whim" with friction gearing and wire rope, worked by a steam engine, and by means of which all the ore from the various workings of the mine is conveniently discharged from the cars, which convey it out of the level to the dressing floors.

The first thing which strikes the observer on entering the mine is the liberal scale of its exploration. Every thing indicates a liberal and judicious use of capital in the development of a property which upon any other principle of exploration would probably have been unremunerative. We note also the absence of the usual galleries or levels, cut at regular distances of ten fathoms, common in the exploration; for example, of copper mines, and of other metallic deposits in which the ore is confined to well characterized veins.

In order to reach the lower workings of the mine, the observer may employ the bucket as a means of descent, or he may, in a more satisfactory manner, descend by a series of ladders and steps, not in the shaft, but placed in various large and irregular openings, dipping for the most part in the direction of the magnetic north, and at an angle of 30° to 35°. These cavities have been produced by the miner in extracting the metal, and are often of vast proportions; one of them measures 150 feet in length, 70 feet in breadth, and 40 feet in height—others are of smaller dimensions; and they communicate with each other sometimes by narrow passages, and at others by arched galleries cut through the unproductive serpentine.

Some portions of the mine are heavily timbered to sustain the roof from crush-

ing, while in other places arches or columns are left in the rock for the same purpose.

The principal minerals associated with the cinnabar are quartz and calcareous spar, which usually occur together in sheets or strings, and in a majority of cases penetrate or subdivide the masses of cinnabar. Sometimes narrow threads of these minerals, accompanied by a minute coloration of cinnabar, serve as the only guide to the miner in re-discovering the metal when it has been lost in a former working.

Veins or plates of white massive magnesian rock and sheets of yellow ochre also accompany the metal. Iron pyrites is rarely found, and no mispickel was detected in any portion of the mine; running mercury is also rarely, *almost never*, seen.

The cinnabar occurs chiefly in two forms, a massive and a subcrystalline. The first is fine granular, or pulverulent, soft, and easily reduced to the condition of vermillion; the other is hard, more distinctly crystalline, compact and difficult to break; but in neither of these forms does it show any tendency to develop well formed crystals. It is occasionally seen veining the substance of greenish white or brown compact steatite or serpentine.

The ores are extracted by contract, the miners receiving a price dependent upon the greater or less facility with which the ore can be broken. By far the larger portion of the work people in the mines are Mexicans, who are found to be more adventurous than Cornishmen, and willing oftentimes to undertake jobs which the latter have abandoned. The price paid for the harder ores in the poorer portions of the mine is from $3 to $5 per cargo of 300 pounds. This weight is obtained after the ore is brought to the surface and freed by hand breaking from the superfluous or unproductive rock; by this arrangement, the company are secured from paying for anything but productive mineral. All the small stuff and dirt formed by the working of the "labors," are also sent to the surface to form the adobes used in charging the furnaces.

It has often happened in the history of this mine, during the past fifteen years, that the mine for a time has appeared to be completely exhausted of ore. Such a condition of things has, however, always proved to be but temporary, and may always be avoided by well directed and energetic exploration. Upon projecting, by a careful survey, irregular and apparently disconnected chambers of the mine in its former workings in a section, there is easily seen to be a general conformity in the line of direction and mode of occurrence of the productive ore masses. These are found to dip in a direction toward the north, in a plain parallel, for the most part, to the pitch of the hill, but at a somewhat higher angle. An intelligent comprehension of this general mode of structure has always served hitherto in guiding the mining superintendent in the discovery of new deposits of ore.

Since the settlement of the famous law suit, which has so long held this company in a condition of doubt, the new parties, into whose hands the property has now passed, have commenced a series of energetic and well directed explorations at various points upon the hill, with a view to the discovery of additional deposits of ore. At one of these new openings, distant at least 500 feet from the limit of the old workings, and not more than 200 feet from the summit of the

hill, a deposit of the richest description of the softer kind of cinnabar has been discovered, which, so far as hitherto explored, has a linear extent of at least 70 or 80 feet, and in point of richness has never been surpassed by any similar discovery in the past history of the mine. A charge of 101,000 pounds, of which 70,000 were composed of this rich ore, 31,000 pounds of "granza," or ordinary ore, and 48,000 pounds of adobes, worth 4 per cent, making a total charge of 105,800 pounds, yielded on the day of our visit, 460 flasks of mercury at 76½ pounds to the flask. This yield is almost without parallel in the history of the mine. The only preparation which the ores undergo, preparatory to reduction, consists of hand-breaking, or "cobbing," for the removal of the unproductive rock.

The small ores and dirt hoisted from the mine are made into "adobes," or sun-dried bricks, sufficient clay for the purpose being associated with the ore. The object of these "adobes" is to build up the mouths of the furnaces to sustain the load of richer ores. No flux is employed, there being sufficient lime associated with the ores to aid the decomposition of the sulphurets.

The furnaces are built entirely of brick, in dimensions capable of holding from 60,000 to 110,000 pounds, according to the character of the ores employed. The chambers are fired from a lateral furnace, fed with wood, and separated from the ore by a wall pierced with numerous openings by the omission of bricks for that purpose.

Connected with the furnace is a series of lofty and capacious chambers, also of masonry, through which the whole product of combustion is compelled to pass alternately above and below, from chamber to chamber, until all the available mercury is condensed. The draft from these furnaces is carried by inclined stacks up to the top of a lofty hill several hundred feet distant; and here the sulphurous acid and other effete products of the furnace are discharged. Formerly, no precautions were taken to prevent the escape of mercury through the foundations of the furnace to the earth beneath; now, the furnaces stand upon double arches of brick work, and plates of iron are built into the foundations, so as to cut off entirely all descending particles of the metal and turn them inward. To be convinced of the importance of this precaution, it is sufficient to watch the operation of the furnace for a few moments, when an intermittent stream may be seen to flow into a reservoir provided for it, and which by the former process was completely lost in the earth.

On taking up the foundations of some of the old furnaces, within the last two years, the metal was found to have penetrated, or rather permeated, completely through the foundation and clay of the substructure down to the bed-rock beneath, a depth of not less than 25 or 30 feet. Over 2,000 flasks of mercury were thus recovered in a single year from the foundations of the two furnaces. This loss is entirely avoided by the improved construction which has been adopted.

The whole process of reduction is extremely simple, the time occupied from one charge to another being usually about seven days. The metal begins to run in from four to six hours after the fires are lighted, and in about sixty hours the process is completed. The metal is conducted through various condensing chambers by means of pipes of iron, to a "crane-neck," which discharges into capa-

cious kettles. It undergoes no further preparation for market, being quite clean from all dross.

Deducting 2½ years, during which the mines were in a state of inactivity, pending the decision of the law-suit, the average monthly product for 12½ years has been not far from 2,500 flasks, of 76½ pounds each, of mercury. The selling price in San Francisco is, at present, and has been for some time past, 75 cents per pound, while in London and New York it has ranged from 40 to 50 cents per pound.

San Francisco, May, 1864.

BREADSTUFFS.—EXPORTS TO GREAT BRITAIN AND IRELAND AND THE CONTINENT FROM THE UNITED STATES AND CANADA.

THE exports of breadstuffs the past year show a great decrease in quantities and still greater decrease in values over previous years. As to the corn trade it has been almost entirely suspended, the small shipments that were made being at a loss.

The following is an estimate of the total quantities and value of the shipments of flour, wheat, and corn, from the United States to Great Britain, Ireland, and the Continent, from September, 1, 1863, to September 1, 1864, compared with the previous year:

	Flour, bbls.	Wheat, bush.	Corn, bush.	Estimated value in U. S. currency.
1862-63	1,692,992	25,510,504	10,403,313	$58,819,110
1863-64	1,352,706	16,822,370	695,226	25,571,976
Decrease	340,186	8,688,134	9,708,087	$33,247,134

Below we give our usual table of the exports of breadstuffs from the United States for the year ending September 1, 1864:

EXPORTS OF BREADSTUFFS FROM UNITED STATES TO GREAT BRITAIN AND IRELAND, FROM SEPTEMBER 1, 1863, TO SEPTEMBER 1, 1864.

From—	Flour, bbls.	Meal, bbls.	Wheat, bush.	Corn, bush.
New York	1,020,858	114	15,123,990	664,852
Philadelphia	77,338	...	500,866	583
Baltimore	24,359	...	60,129	17,256
Boston	89,586	...	.....	.....
Other ports	95,236	...	807,958	.....
Total	1,257,377	114	16,492,943	682,691

The following are the total quantities for the last eighteen years:

	Flour, bbls.	Meal, bbls.	Wheat, bush.	Corn, bush
1863-64	1,257,377	114	16,492,943	682,691
1862-63	1,479,413	1,147	23,167,190	10,334,356
1861-62	2,672,515	1,124	25,754,709	14,084,168
1860-61	2,561,661	4,416	25,553,370	11,705,034
1859-60	717,156	944	4,938,714	2,221,857
1858-59	106,457	58	439,010	342,013
1857-58	1,295,430	143	6,555,643	3,317,802

1856-57.....	849,600	685	7,479,401	4,746,278
1855-56.....	1,641,265	6,816	7,956,406	6,731,161
1854-55.....	175,209	4,768	324,427	6,679,188
1853-54.....	1,846,920	41,726	6,038,003	6,049,371
1852-53.....	1,600,449	100	4,823,519	1,425,278
1851-52.....	1,427,442	1,780	2,728,442	1,487,398
1850-51.....	1,559,584	5,620	1,496,355	2,205,601
1849-50.....	574,757	6,411	461,276	4,753,353
1848-49.....	1,137,556	82,900	1,140,194	12,685,260
1847-48.....	182,583	108,534	241,300	4,390,226
1846-47.....	3,155,845	844,188	4,000,359	17,157,659
Total.....	24,241,219	1,111,374	139,591,261	110,998,649

Below we give the exports for a series of years to the continent from the United States, and also a table showing the quantities exported during same time from Canada:

TO THE CONTINENT.

From—	Flour, bbls.	Wheat, bush.	Corn, bush.	Rye, bush.
New York.....	80,049	329,427	12,535	13,965
Other ports.....	15,280	.....	.....	.....
Total, 1863-64.....	95,329	329,427	12,535	13,965
" 1862-63.....	206,176	2,265,431	68,957	429,956
" 1861-62.....	619,109	7,577,350	322,074	1,584,501
" 1860-61.....	142,129	3,452,496	101,145	347,258
" 1859-60.....	49,243	178,031	19,368	.....
" 1858-59.....	51,388	57,845	25,519	.....
" 1857-58.....	303,100	390,428	16,848	13,100
" 1856-57.....	488,314	2,875,658	563,590	216,162
" 1855-56.....	748,408	2,610,079	282,083	1,975,178

FROM CANADA TO GREAT BRITAIN AND IRELAND, VIA ST. LAWRENCE.

	Sept. 1, 1863, to Sept. 1, 1864.	Sept. 1, 1862, to Sept. 1, 1863.	Sept. 1, 1861 to Sept. 1, 1862.
Flour.....bbls.	378,244	687,986	617,308
Wheat.....bush.	2,506,504	5,722,377	6,376,905
Corn.....	54,040	1,578,458	2,016,040
Peas.....bush.	552,605	694,999	822,060
Oats.....	169	9,024	760,756
Oatmeal.....bbls.	.....	1,020	7,242

NEW YORK CITY AND COUNTY RESOURCES, DEBT, SINKING FUND, ETC.

THE necessary means to defray the ordinary expenses of the New York City and County governments are derived from: first, the general fund, which comprises all the ordinary revenues except such as have been especially appropriated and pledged to the sinking fund; second, the annual taxes which are included in the general levy made by the Board of Supervisors for State, County, and City purposes.

ANNUAL TAXES.

The following were the purposes and amounts for which taxes were levied for the year 1863:

For the use of State—		
For common schools	$401,132 71	
For canals, volunteer militia, & gener'l purposes	2,139,424 44	
		$2,540,557 15
For county purposes, including support of police		2,954,019 29
For city purposes		6,062,095 74
Amount required for the payment of appropriations		$11,556,672 18
Amount required to supply deficiencies		535,232 96
Total		$12,091,905 14

To produce the amount required it was found necessary to fix the rate of taxation at $2.03½ per $100, or $20.35 per $1,000, as shown by the following statement:

Amount required to be raised, as above stated		$12,091,905 14
Valuation of taxable property	$594,196,818	
Rate of tax $20.35 per $1,000. Product of tax by said rate		12,091,905 14

The following table shows the valuation of the real and personal estate and the amount of tax in detail:

REAL ESTATE, VALUATION, AND TAX.

Ward.	Valuations.	Amount of tax.
First	$32,779,900	$667,070 17
Second	19,621,028	399,266 70
Third	25,464,956	518,211 56
Fourth	9,187,100	186,955 39
Fifth	18,460,000	375,657 70
Sixth	12,949,150	263,513 46
Seventh	12,384,499	252,019 64
Eighth	18,156,000	369,470 81
Ninth	15,806,300	321,650 64
Tenth	8,755,000	178,161 60
Eleventh	9,054,700	184,257 17
Twelfth	14,134,825	287,611 45
Thirteenth	5,467,900	111,270 07
Fourteenth	12,422,000	252,785 40
Fifteenth	26,994,050	549,328 97
Sixteenth	18,508,900	376,647 50
Seventeenth	18,190,900	370,177 47
Eighteenth	37,104,000	755,059 18
Nineteenth	19,003,552	386,679 25
Twentieth	17,588,300	357,910 62
Twenty-first	31,972,250	650,627 45
Twenty-second	18,281,222	371,980 89
Total	$402,286,532	$8,186,307 59

PERSONAL ESTATE, VALUATION, AND TAX.

Resident	$179,310,329		
Non-resident	12,703,332		
		192,013,661	3,907,446 31
Total		$594,300,193	12,093,773 90

The valuation for 1862 compared with 1863 was as follows:

	1862.	1863.
Real estate	$400,238,964	$402,187,382
Personal estate	172,416,031	191,967,161
Total	$572,654,995	$594,154,543

Showing a total increase in the valuation of real and personal estate of $21,499,548.

The amount of the yearly taxes levied during the last five years has been as follows:

Years.	For the use of the corporation.	For county and State purposes.	Total.
1859	$6,546,034 11	$3,314,891 98	$9,860,926 09
1860	6,085,448 60	3,673,059 26	9,758,507 86
1861	6,713,293 40	4,914,338 88	11,627,632 28
1862	5,111,056 08	4,795,215 02	9,906,271 10
1863	6,341,202 96	5,750,702 18	12,091,905 14
	$30,797,035 15	$22,448,207 32	$53,245,242 47

The following was the amount of taxes collected in 1863:

Of the amount of the general levy for 1863	$9,996,212 70
Amount of areas collected	963,807 86
Total collected from taxes during 1863	$10,960,020 56

These receipts were proportioned as follows between the city and county:

Amount transfered to the city treasurer	$5,826,143 78
Amount to account of county treasurer	5,133,876 78
Total collections from taxes	$10,960,020 56

TOTAL RECEIPTS AND DISBURSEMENTS ON CITY ACCOUNT.

The following is a summary of the receipts and disbursements of the city for the year 1863:

Receipts.

From taxes, as stated above		$5,826,143 78
From general fund, being license fees, interest on taxes, etc.		1,234,362 10
From loans		7,886,657 13
From the sinking fund		3,500,170 63
Total receipts		$18,447,333 64

Disbursements.

For the support of the city government		$5,717,781 84
The payment of interest and annual instalments of the principal of that portion of the city debt provided for by appropriations made by the Common Council—		
Payment of interest	941,993 41	
Payment of principal	571,657 36	
		$1,513,650 77
		7,231,432 61
Other loans paid		3,809,900 00
Trust and special accounts		$4,345,055 32
Sinking fund for redemption of city debt		2,380,427 49
Sinking fund for payment of interest on city debt		1,259,988 17
Total		$18,526,803 59

RECEIPTS AND DISBURSEMENTS OF COUNTY GOVERNMENT.

The following shows the different sources of revenue and amount received therefrom during the year 1863, and the disbursements during same time of the county government:

Receipts.

Amount of collections by the receiver of taxes placed to account of the county		$5,133,876 78
General fund		65,920 18
Excise license fees		7,020 00
Temporary loans		2,417,700 00
New York county court house stock—Amount received for said stock, including premiums thereon		319,750 00
Substitute and relief fund bonds		946,700 00
Riot damages indemnity fund bonds—Amount received for said bonds, including premiums thereon		861,323 00
Soldiers' substitute bounty fund bonds		1,423,400 00
Total receipts		$11,175,689 96
For amount of receipts from the Board of Commissioners of excise for license fees paid out, as follows—		
To the corporation of the City of New York toward the support of the poor, in pursuance of sec. 5 of the act, chap. 625 of the laws of 1857,	$6,318 00	
To the New York State Inebriate Asylum, being ten per cent of the receipts for excise license fees, in pursuance of chapter 381 of the laws of 1859	702 00	
		$7,020 00
For payments for damages caused by riots in July, 1863		713,589 33
Total payments		$11,092,738 49

We see from the above that the total receipts during the year of the city and county governments amount in the aggregate to $30,000,000, or about one-half the total expenses of the United States Government before the war.

DEBT OF THE CITY AND COUNTY OF NEW YORK.

Below will be found statements in detail of the debt of the county and City of New York:

DEBT OF NEW YORK CITY.

Titles of Stocks and Bonds.	Amount Outstanding, Dec. 31, 1862.	Amount Outstanding, Dec. 31, 1863.	Interest. Per Cent.	When Interest Payable.
FUNDED DEBT.				
The Water Stock (1856)	$4,871	$4,871	5	Feb., May, Aug., Nov.
do do (1860)	20,362	20,362	5	
do do (1870)	3,000,200	3,000,200	5	
do do (1875)	2,163,600	2,163,600	5	
do do (1879)	....	228,000	5	
do do (1880)	2,147,000	1,147,000	5	
The Croton Water Stock (1883)	1,800,000	1,800,000	6	
do do (1890)	1,000,000	900,000	5	
do do (1890)	100,000	100,000	6	
The Fire Indemnity Stock (1868)	402,768	402,768	5	Feb. & Aug.
Public Building Stock, No. 3 ('64-66)	200,000	150,000	5	Feb., May, Aug., Nov
The New York City 5 per cent Stock for Docks and Slips (1867-76)	500,000	500,000	5	
Public Stock for Rebuilding Tompkins Market (1864-69)	119,000	102,000	6	Feb. & Aug.
Building Loan Stock, No. 3 (1870)	75,000	75,000	5	
Public Education Stock (1873)	154,000	154,000	5	
Building Loan Stock, No 4 (1873)	115,000	115,000	5	
Central Park Fund Stock (1887)	3,066,071	3,066,071	6	

Central Park Fund Stock (1898)..	399,300	399,300	5	
do do (1898)..	275,000	275,000	6	
Central Park Additional Fund Stock (1874)	.....	1,000,000	6	Feb., May, Aug., Nov.
Central Park Improvement Fund Stock (1887)	2,083,200	2,083,200	6	
Central Park Improvement Fund Stock (1876)	1,666,000	1,966,000	6	
Floating Debt Fund Stock (1878).	2,748,000	2,748,000	6	
Real Estate Bonds (1873)	600,000	600,000	6	
Total	$22,539,372	$24,000,372		

TEMPORARY AND OTHER LOANS.

Revenue Bonds, 1862	$183,600	.....	5	.....
Street Improvement Fund Bonds, 1863	317,000	.....	6	.....
Street Improvement Fund Bonds, 1864	800,000	$800,000	7	.....
Street Improvement Fund Bonds, 1865	600,000	600,000	6	.....
Assessment Bonds, 1862	13,000	13,000	0	.....
Assessment Fund Bonds, 1864	500,000	500,000	6	.....
do do 1865	100,000	100,000	6	.....
Union Defense Fund Redemption Bonds, 1864	895,570	895,570	6	.....
Volunteer Soldiers' Family Aid Fund Bonds, No. 2, 1863	500,000	.....	6	.....
Volunteer Soldiers' Family Aid Fund Bonds, No. 3, 1865	500,000	500,000	6	.....
Volunteer Soldiers' Family Aid Fund Bonds, No. 4, 1865	48,100	500,000	6	.....
Volunteer Soldiers' Family Aid Fund Bonds, No. 5, 1869	.....	500,000	5	.....
Volunteer Soldiers' Family Aid Fund Bonds, No. 6, 1870	.....	500,000	5	.....
Volunteer Soldiers' Family Aid Fund Bonds, No. 7, 1871	.....	500,000	5	.....
Volunteer Soldiers' Bounty Fund Bonds, 1863	500,000	.....	5	.....
Volunteer Soldiers' Bounty Fund Redemption Bonds, 1867	.....	460,000	6	.....
Total	$4,952,270	$5,898,570		

RECAPITULATION.

Funded Debt, as above	$22,539,372	$24,000,372
Temporary Loans, as above	4,952,270	5,898,570
	$27,491.642	$29,898,942
Net increase, 1863, Funded Debt		$1,461,000
do do Temporary and other Loans		946,300
		$2,407,300

DEBT OF THE COUNTY OF NEW YORK.

The following statement shows the amount of the County Debt at the close of each year since 1859:

	1859.	1860.	1861.	1862.	1863.
Revenue bonds.....	.....	$515,500	$690,600	$671,700	.....
Harlem River Free Bridge Bonds.....	$20,000	60,000	60,000	60,000	$40,000
New York County Court House Stock.....	.....	.....	.....	700,000	1,000,000
Substitute and Relief Fund Bonds	.....	.....	.....	.....	946,700
Soldiers' Substitute Bounty Fund Bonds....	.....	.....	.....	.....	1,423,400
Riot Damages Indemnity Fund Bonds....	.....	.....	.....	.....	861,300
Totals.....	$20,000	$575,500	$750,600	$1,431,700	$4,271,400

The total Debt, therefore, of the City and County of New York, was as follows, Dec. 31, 1863:

City Debt.....	$29,898,942
County Debt.....	4,271,400
Total Debt, City and County.....	$34,170,342

TRADE OF NEW ORLEANS.

We have in the New Orleans *Price Current** of September 1st the review of the trade of that city the past year, from which the following is prepared.

Some idea of the extent of the commercial loss this war is causing may be gathered from the following comparative table of the receipts from the interior at New Orleans of certain leading articles during 1863–64 and 1859–60:

RECEIPTS OF CERTAIN LEADING ARTICLES AT NEW ORLEANS.

	1863-64.	1859-60.	Decrease.
Apples.....bbls.	39,693	67,416	27,723
Bacon .....pkgs.	33,421	88,816	55,345
Bagging.....pcs.	2,208	21,427	19,219
Bale rope.....coils	14,495	125,429	110,934
Butter.....pkgs.	31,045	39,851	8,806
Bran .....sacks	44,093	274,277	230,184
Cotton.....bales	131,044	2,255,448	2,124,404
Corn .....sacks	410,138	1,722,039	1,311,901
Cheese .....boxes	35,744	95,305	59,561
Candles..... ....boxes	48,262	110,405	62,143
Coal .....bbls.	265,298	2,900,000	2,634,702
Flour	399,897	974,340	574,443
Glassware.....pkgs.	612	68,879	68,267
Hemp .....bales	218	4,883	4,665

* On the first of September the publication of the regular edition of the New Orleans *Price Current* was resumed, the letter sheet only having been issued since December, 1863. It is with great pleasure that we again welcome this old friend. We see that the agent of the publishers in New York is Mr. James V. Rich, 82 Nassau-street.—Ed. *Hunt's Merchants' Magazine.*

Hides.....	22,256	163,568	141,312
Lard..... bbls. and tcs.	18,027	65,784	47,759
Lard .....kegs	9,655	90,699	81,044
Lead..... .....pigs	30	80,964	80,934
Molasses.....bbls.	143,460	313,840	170,380
Onions.....	13,322	26,401	13,079
Oil, lard.....	1,162	9,333	8,171
Potatoes..... ...	150,615	207,698	57,083
Pork....	67,022	216,523	144 501
Pork, bulk ..... lbs.	.....	3,803,500	3,803,500
Ale.....bbls.	8,325	20,940	12,615
Packing yarn .....r'ls.	83	3,748	3,665
Sugar .....hhds.	75,153	195,185	120,032
Tobacco.....	1,363	80,955	79,592
Tobacco ..... boxes	14,184	14,544	360
Whisky .....bbls.	16,615	185,042	169,657
Wheat..... ....sacks	529	13,116	12,587

The loss indicated by these figures does not of course fall on that city or State altogether—it is a loss that is felt over the whole country. Take the cotton crop for instance. What portion of the country was not benefited by or interested in the cultivation of that crop. The planters' cotton represented not only his profits but also the expenses attending the culture and sending to market, and the sale furnished the means to pay those expenses. If we look at the details of the expense account we will find they were incurred in the support of the planters family and of his servants and estates, and the proceeds of his sales were distributed all over the country. The pork and bacon and a large portion of the corn required to feed the negroes, most of the utensils used on the plantation, such as ploughs, hoes, &c., the bagging and rope, as well as many other articles too numerous to mention but essential to the production of the crop, were furnished by the farmers, packers, merchants, and manufacturers of the Western States; while the clothing, shoes, hats, blankets, medicines, &c., were received from the manufacturers and importers of the North; and the coffee, salt, and some other articles from New Orleans importers. Then again, a large part of the family expenses of the planter were for articles received from the West and the North, or imported from Europe. The expense of transportation from the West gave employment to Western boats, and thereby enriched Western boatmen and boat builders, and many of the expenses accruing at New Orleans were divided between the merchants and artisans of the city and their Northern and Western connections; such as the cost of wagons, carts, and other similar articles which were imported from the North.

Then, too, from the time the crop was placed on shipboard it proved a constant source of wealth throughout its progress and in all its various transformations. The ship owner, the merchant, the numerous class of persons engaged in handling it in its transit to the mills, and then the multitudes employed in spinning it or manufacturing it into frbrics or other forms for consumption, all derived more or less advantage from it as it passed through their hands. Resolving this industrial movement into its primary elements, we find that so far from the bale of cotton representing exclusively the Southern planter, his share in its production was much less than that of the farmers who furnished the food and the manufacturers who contributed the clothing of the laborers engaged in the cul-

ture. If a like enquiry were made with regard to other Southern crops, the answer would be similar. We thus get an idea of what is being actually lost by the war.

The following table shows the receipts, shipments, etc., of cotton at New Orleans during the past twelve years:

RECEIPTS, SHIPMENTS, ETC., OF COTTON AT NEW ORLEANS.

	Receipts New Orleans.	Aver. price per bale.	Total value.	Total crop.	Date of receipt of first bale.	Rec'ts of new crop to Sept. 1.
1852–53..	1,664,864	$41 00	$68,259,424	3,262,882	Aug. 9	74
1853–54..	1,440,779	38 00	54,749,602	2,930,027	July 25	1,391
1854–55..	1,284,768	40 00	51,390,720	2,847,339	July 26	23,282
1855–56..	1,759,293	40 00	70,371,720	3,527,845	July 15	1,166
1856–57..	1,513,247	57 00	86,255,079	2,939,519	Aug. 15	33
1857–58..	1,678,616	52 50	88,127,340	3,113,962	July 25	4,834
1858–59..	1,774,298	53 00	92,037,794	3,851,481	July 28	9,698
1859–60..	2,255,448	48 50	109,389,228	4,675,770	July 5	36,670
1860–61..	1,849,312	50 00	92,465,600	3,699,926	Aug. 11	61
1861–62..	38,880	45 50	1,769,040	.....	.....	..
1862–63..	22,078	231 32	5,107,032	.....	Sept. 7	..
1863–64..	131,044	356 20	46,677,872	.....	Aug. 14	12
Total...	17,683,724		$812,164,533			

The additional obstacles and expenses to be met by the planters before shipment, and the extra charges to be paid after it leaves his hands are a very great tax. Not, however, to particularize the planters additional difficulties and expenses before shipment, the subsequent charges are something as follows. On the arrival of the cotton at New Orleans the factor has to pay from $5 to $10 freight, where the charge was formerly seventy-five cents to $1 50—also a hospital tax of $5 per bale, and the internal revenue tax of two cents per pound or $9 per bale; add to this three-fourths per cent for river insurance, and one per cent per month for fire insurance, one-fourth per cent for brokerage, and two-and-a-half per cent commission, and the entire present charges after the cotton leaves the planters hands to the time it is sold at New Orleans amount to about $50 or $60 per bale, or considerably more than the average value of a bale of cotton for many years before the war.

The following table shows the destination of the cotton and tobacco exported from New Orleans since 1859–60:

EXPORTS OF COTTON FROM NEW ORLEANS.

Whither exported.	1863–64.	1862–63.	1861–62.	1860–61.	1859–60.
Liverpool.....	1,155	2,070	1,312	1,074,131	1,348,163
London.....	....	....	....	153	107
Glasgow, Greenock, etc.....	....	....	....	32,767	16,437
Cowes, Falmouth, etc.....	....	....	....	10,034	19,147
Queenstown, Cork, etc.....	....	....	....	42,263	43,112
Havre.....	4,023	1,849	472	384,988	303,157
Bordeaux.....	....	....	....	3,704	2,395
Marseilles.....	....	....	....	283	3,735
Nantz, Cette, and Rouen.....	....	....	....	....	4,004
Amsterdam.....	....	....	....	8,411	2,949
Rotterdam and Ghent.....	....	....	....	1,700	5,205
Bremen.....	....	....	....	65,073	60,999
Antwerp, etc.....	....	....	....	12,343	16,362
Hamburg.....	....	....	....	5,551	9,079

Gottenburg and Stockholm	....	....	....	10,426	13,522
Spain, Gibraltar, etc	....	372	21,571	72,471	50,317
Mexico, etc	145	....	....	6,269	17,725
Genoa, Trieste, etc	162	....	....	34,618	61,228
St. Petersburg, etc	...	....	....	23,588	28,019
New York	109,149	17,859	4,116	29,539	62,936
Boston	12,793	1,418	109	94,307	131,648
Providence, R. I	....	40	....	4,847	5,717
Philadelphia	703	142	98	855	5,257
Baltimore	....	....	....	100	1,247
Other coastwise ports	....	....	....	2,481	1,829
Total	128,130	23,750	27,678	1,915,852	2,214,296

EXPORTS OF TOBACCO FROM NEW ORLEANS.

Whither exported.	1863-64.	1862-63.	1861-62.	1860-61.	1859-60.
Liverpool	....	569	....	1,436	8,844
London	....	....	....	3,017	6,308
Glasgow, Greenock, etc	....	....	....	....	....
Cowes, Falmouth, etc	....	....	...	3,011	2,013
Queenstown, Cork, etc	....	....	....	....	....
Havre	7	2,359	100	3,179	2,010
Bordeaux	....	780	....	328	3,212
Marseilles	....	830	....	1,037	3,197
Nantz, Cette, and Rouen	....	....	....	...	....
Amsterdam	....	....	....	....	1,143
Rotterdam and Ghent	....	....	....	406	1,735
Bremen	123	1,361	536	5,084	13,694
Antwerp, etc	....	733	....	1,067	4,735
Hamburg	....	....	....	20	64
Gottenburg and Stockholm	....	....	....	....	1,951
Spain, Gibraltar, etc	....	2,040	1,248	9,560	10,848
Mexico, etc	3	....	....	....	....
Genoa, Trieste, etc	....	343	....	7,539	8,847
St. Petersburg, etc	....	....	....	....	....
Other foreign ports	....	....	....	1,816	4,640
New York	664	3,156	303	1,969	7,392
Boston	....	226	....	213	1,310
Providence, R. I	....	....	....	....	....
Philadelphia	....	43	....	98	261
Baltimore	....	117	37	....	140
Portsmouth	....	....	....	....	....
Other coastwise ports	....	....	....	26	345
Western States	....	....	....	....	....
Total	797	12,556	2,224	39,806	82,689

Below will be found the exports of sugar and molasses for three years:

EXPORTS OF SUGAR AND MOLASSES FROM NEW ORLEANS—UP THE RIVER EXCEPTED.

	1863-64.			1862-63.			1860-61.			
	Sugar.		Molasses.	Sugar.		Molasses.	Sugar.		Molasses.	
Whither exported.	hhds.	bbls.	bbls.	hhds.	bbls.	bbls.	hhds.	bbls.	hhds.	bbls.
New York	34,185	1,278	68,312	81,645	8,037	145,066	21,486	607	...	40,088
Philadelphia	2,836	114	8,340	5,964	555	18,427	1,876	7	...	4,901
Charleston, S. C	....	....	17	7	7	393	2,491	2	...	7,765
Savannah	....	....	....	....	....	.....	158	...	...	328
Providence & Bristol	....	....	17	7	7	393	4	1	...	5,628
Boston	2,386	188	6,735	9,856	941	22,120	151	4	185	10,344
Baltimore	120	....	85	774	4	986	2,870	90	...	5,732
Norfolk, Richmond, & Petersburg, Va	....	....	....	....	....	.....	2,960	...	...	8,343
Mobile	....	....	....	....	....	.....	7,225	1,251	...	30,726
Apalachicola, Pensacola	7	148	28	18	112	4	1,855	2,357	...	7,933
Other ports	....	393	16	2	313	77	1,631	405	...	6,394
Total	39,484	2,071	83,533	98,266	9,969	187,143	42,163	4,724	185	122,512

MILITARY FORCE OF THE STATES OF EUROPE.

THE following table, showing the military force of the different States of Europe, and the consequent fiscal burden in each, is taken from the *Annuaire Encyclopedique* for 1863:

Countries.	Army.	Population.	Expenses.	Cost per Man.	Inhabitants to One Soldier.	Proportion per cent to Total.
Germany.....	178,576	16,960,512	$16,539,735	$92 60	95	20
Austria.....	467,211	35,019,058	67,810,840	144 00	75	37
Belgium.....	40,116	4,671,183	6,450,525	160 29	117	23
Spain.....	120,000	15,500,000	25,132,870	209 20	129	25
Roman States....	8,845	684,806	886,965	100 00	77	—
France	513,349	37,500,000	137,729,075	268 18	73	33
Greece.....	10,291	1,096,000	1,084,500	59 60	100	32
Holland.....	59,431	3,569,456	9,381,580	158 18	60	25
Italy.....	314,285	21,920,269	65,934.225	209 79	70	27
Prussia.....	214,482	18,500,446	31,346,730	147 60	86	30
Great Britain	300,823	29,193,219	135,485,875	446 18	97	39
Russia	1,000,285	64,000,000	105,848,000	105 29	64	42
Denmark.....	50,000	2,605,024	3,507,720	71 37	105	37
Sweden	67,867	2,855,888	3,417,320	50 39	56	45
Norway.....	18,157	1,433,734	1,689,540	93 00	79	32
Turkey.....	429,000	39,000,000	20,000,000	76 00	91	—
Roumania	20,000	4,000,000	2,360,000	118 00	200	—
Servia.....	2,500	985,000	178,880	71 39	394	—
Switzerland.....	—	—	—	—	—	—
	3,815,217	299,494,195	$644,283,880	$168 87	76	32

Note.—The *francs* of the original table have been changed into dollars and cents at the rate of 5 francs to 1 dollar.

LAW FOR MEASURING TONNAGE OF SHIPS, &c.

AN ACT to regulate the Admeasurement of Tonnage of Ships and Vessels of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That every ship or vessel built within the United States, or that may be owned by a citizen or citizens thereof, on or after the first day of January, eighteen hundred and sixty-five, shall be measured and registered in the manner hereinafter provided; also, every ship or vessel that is now owned by a citizen or citizens of the United States shall be remeasured and reregistered upon her arrival after said day at a port of entry in the United States, and prior to her departure therefrom, in the same manner as hereinafter described: *Provided*, That any ship or vessel built within the United States after the passage of this act may be measured and registered in the manner herein provided.

equal to those into which the length of the tonnage-deck has been divided; measure at the middle of its height the inside breadths, namely, one at each end and at each of the points of division, numbering them successively one, two, three, &c.; then to the sum of the end breadths add four times the sum of the even-numbered breadths and twice the sum of the odd-numbered breadths, except the first and last, and multiply the whole sum by one third of the common interval between the breadths; the product will give the mean horizontal area of such space; then measure the mean height between the planks of the decks, and multiply by it the mean horizontal area; divide the product by one hundred, and the quotient shall be deemed to be the tonnage of such space, and shall be added to the tonnage under the tonnage-decks, ascertained as aforesaid.

If a vessel has a third deck, or spar-deck, the tonnage of the space between it and the tonnage-deck shall be ascertained as follows:—

Measure in feet the inside length of the space, at the middle of its height, from the plank at the side of the stem, to the plank on the timbers at the stern, and divide the length into the same number of equal parts into which the length of the tonnage-deck is divided; measure (also at the middle of its height) the inside breadth of the space at each of the points of division, also the breadth of the stem and the breadth at the stern; number them successively one, two, three, and so forth, commencing at the stem; multiply the second, and all other even-numbered breadths by four, and the third, and all the other odd-numbered breadths (except the first and last) by two; to the sum of these products add the first and last breadths, multiply the whole sum by one third of the common interval between the breadths, and the result will give in superficial feet, the mean horizontal area of such space; measure the mean height between the plank of the two decks, and multiply by it the mean horizontal area, and the product will be the cubical contents of the space; divide this product by one hundred, and the quotient shall be deemed to be the tonnage of such space, and shall be added to the other tonnage of the vessel, ascertained as aforesaid. And if the vessel has more than three decks, the tonnage of each space between decks, above the tonnage-deck, shall be severally ascertained in the manner above described, and shall be added to the tonnage of the vessel, ascertained as aforesaid.

In ascertaining the tonnage of open vessels the upper edge of the upper strake is to form the boundary line of measurement, and the depth shall be taken from an athwartship line, extending from upper edge of said strake at each division of the length.

The register of the vessel shall express the number of decks, the tonnage under the tonnage-deck, that of the between-decks, above the tonnage-deck; also that of the poop or other enclosed spaces above the deck, each separately. In every registered United States ship or vessel the number denoting the total registered tonnage shall be deeply carved or otherwise permanently marked on her main beam, and shall be so continued; and if it at any time cease to be so continued such vessel shall no longer be recognized as a registered United States vessel.

Sec. 4. *And be it further enacted*, That the charge for the measurement of tonnage and certifying the same shall not exceed the sum of one dollar and fifty cents for each transverse section under the tonnage-deck; and the sum of three dollars for measuring each between-decks above the tonnage-deck; and the sum

of one dollar and fifty cents for each poop, or closed in space available for cargo or stores, or for the berthing or accommodation of passengers, or officers and crew above the upper or spar deck.

SEC. 5. *And be it further enacted*, That the provisions of this act shall not be deemed to apply to any vessel not required by law to be registered, or enrolled, or licensed, and all acts and parts of acts inconsistent with the provisions of this are hereby repealed.

Approved, May 6, 1864.

LAW FOR PREVENTING COLLISIONS ON THE WATER.

CHAP. LXIX.—An act fixing certain Rules and Regulations for preventing Collisions on the Water.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after September one, eighteen hundred and sixty-four, the following rules and regulations for preventing collisions on the water be adopted in the navy and the mercantile marine of the United States: *Provided*, That the exhibition of any light on board of a vessel-of-war of the United States may be suspended whenever, in the opinion of the Secretary of the Navy, the commander-in-chief of a squadron, or the commander of a vessel acting singly, the special character of the service may require it.

PELIMINARY.

Article 1. In the following rules every steamship which is under sail, and not under steam, is to be considered a sailing-ship; and every steamship which is under steam, whether under sail or not, is to be considered a ship under steam.

RULES CONCERNING LIGHTS.

LIGHTS.

Article 2. The lights mentioned in the following articles, and no others, shall be carried in all weathers between sunset and sunrise.

LIGHTS FOR STEAMSHIPS.

Article 3. All steam-vessels when under way shall carry—

(*a*) At the foremast head, a bright white light, so fixed as to show an uniform and unbroken light over an arc of the horizon of twenty points of the compass, so fixed as to throw the light ten points on each side of the ship, viz: from right ahead to two points abaft the beam on either side, and of such a character as to be visible on a dark night, with a clear atmosphere, at a distance of at least five miles.

(*b*) On the starboard side, a green light, so constructed as to throw an uniform and unbroken light over an arc of the horizon of ten points of the compass, so fixed as to throw the light from right ahead to two points abaft the beam on the starboard side, and of such a character as to be visible on a dark night, with a clear atmosphere, at a distance of at least two miles.

(*c*) On the port side, a red light, so constructed as to show an uniform unbroken light over an arc of the horizon of ten points of the compass, so fixed as

to throw the light from right ahead to two points abaft the beam on the port side, and of such a character as to be visible on a dark night, with a clear atmosphere, at a distance of at least two miles.

(*d*) The said green and red side lights shall be fitted with inboard screens, projecting at least three feet forward from the light, so as to prevent these lights from being seen across the bow.

LIGHTS FOR STEAM-TUGS.

Article 4. Steamships, when towing other ships, shall carry two bright white masthead lights vertically, in addition to their side lights, so as to distinguish them from other steamships. Each of these masthead lights shall be of the same construction and character as the masthead lights which other steamships are required to carry.

LIGHTS FOR SAILING-SHIPS.

Article 5. Sailing-ships under way or being towed shall carry the same lights as steamships under way, with the exception of the white masthead lights, which they shall never carry.

EXCEPTIONAL LIGHTS FOR SMALL SAILING-VESSELS.

Article 6. Whenever, as in the case of small vessels during bad weather, the green and red lights cannot be fixed, these lights shall be kept on deck, on their respective sides of the vessel; ready for instant exhibition, and shall, on the approach of or to other vessels, be exhibited on their respective sides in sufficient time to prevent collision, in such manner as to make them most visible, and so that the green light shall not be seen on the port side, nor the red light on the starboard side.

To make the use of these portable lights more certain and easy, they shall each be painted outside with the color of the light they respectively contain, and shall be provided with suitable screens.

LIGHTS FOR SHIPS AT ANCHOR.

Article 7. Ships, whether steamships or sailing-ships, when at anchor in roadsteads or fairways, shall, between sunset and sunrise, exhibit where it can best be seen, but at a height not exceeding twenty feet above the hull, a white light in a globular lantern of eight inches in diameter, and so constructed as to show a clear uniform and unbroken light visible all around the horizon, and at a distance of at least one mile.

LIGHTS FOR PILOT-VESSELS.

Article 8. Sailing pilot-vessels shall not carry the lights required for other sailing-vessels, but shall carry a white light at the masthead, visible all round the horizon, and shall also exhibit a flare-up light every fifteen minutes.

LIGHTS FOR FISHING-VESSELS AND BOATS.

Article 9. Open fishing-boats and other open boats shall not be required to carry side lights required for other vessels, but shall, if they do not carry such lights, carry a lantern having a green slide on the one side and a red slide on the other side, and on the approach of or to other vessels, such lantern shall be exhibited in sufficient time to prevent collision, so that the green light shall not be

seen on the port side, nor the red light on the starboard side. Fishing-vessels and open boats when at anchor, or attached to their nets and stationary, shall exhibit a bright white light. Fishing-vessels and open boats shall, however, not be prevented from using a flare-up in addition, if considered expedient.

RULES GOVERNING FOG-SIGNALS.

FOG-SIGNALS.

Article 10. Whenever there is a fog, whether by day or night, the fog-signals described below shall be carried and used, and shall be sounded at least every five minutes, viz:

(*a*) Steamships under way shall use a steam-whistle placed before the funnel, not less than eight feet from the deck.

(*b*) Sailing-ships under way shall use a fog-horn.

(*c*) Steamships and sailing-ships when not under way shall use a bell.

STEERING AND SAILING RULES.

TWO SAILING-SHIPS MEETING.

Article 11. If two sailing-ships are meeting end on, or nearly end on, so as to invoke risk of collision, the helms of both shall be put to port, so that each may pass on the port side of the other.

TWO SAILING-SHIPS CROSSING.

Article 12. When two sailing-ships are crossing so as to involve risk of collision, then, if they have the wind on different sides, the ship with the wind on the port side shall keep out of the way of the ship with the wind on the starboard side, except in the case in which the ship with the wind on the port side is close-hauled, and the other ship free, in which case the latter ship shall keep out of the way. But if they have the wind on the same side, or if one of them has the wind aft, the ship which is to windward shall keep out of the way of the ship which is to leeward.

TWO SHIPS UNDER STEAM MEETING.

Article 13. If two ships under steam are meeting end on, or nearly end on, so as to involve risk of collision, the helms of both shall be put to port, so that each may pass on the port side of the other.

TWO SHIPS UNDER STEAM CROSSING.

Article 14. If two ships under steam are crossing so as to involve risk of collision, the ship which has the other on her own starboard side shall keep out of the way of the other.

SAILING-SHIP AND SHIP UNDER STEAM.

Article 15. If two ships, one of which is a sailing-ship and the other a steamship, are proceeding in such directions as to involve risk of collision, the steamship shall keep out of the way of the sailing-ship.

SHIPS UNDER STEAM TO SLACKEN SPEED.

Article 16. Every steamship, when approaching another ship, so as to involve risk of collision, shall slacken her speed, or, if necessary, stop and reverse; and every steamship shall, when in a fog, go at a moderate speed.

VESSELS OVERTAKING OTHER VESSELS.

Article 17. Every vessel overtaking any other vessel shall keep out of way of the said last-mentioned vessel.

CONSTRUCTION OF ARTICLES 12, 14, 15, AND 17.

Article 18. Where, by the above rules, one of two ships is to keep out of the way, the other shall keep her course subject to the qualifications contained in the following article:

PROVISO TO SAVE SPECIAL CASES.

Article 19. In obeying and construing these rules due regard must be had to all dangers of navigation, and due regard must also be had to any special circumstances which may exist in any particular case rendering a departure from the above rules necessary in order to avoid immediate danger.

NO SHIP UNDER ANY CIRCUMSTANCES TO NEGLECT PROPER PRECAUTIONS.

Article 20. Nothing in these rules shall exonerate any ship, or the owner, or master, or crew thereof, from the consequences of any neglect to carry lights or signals, or of any neglect to keep a proper lookout, or of the neglect of any precaution which may be required by the ordinary practice of seamen, or by the special circumstances of the case.

Approved, April 29, 1864.

INCOME AND EXPENDITURES OF GREAT BRITAIN AND IRELAND FOR THE YEAR ENDING JUNE 30, 1864.

THE following is an account of the gross public income of the United Kingdom of Great Britain and Ireland, in the year ending the 30th day of June, 1864, and of the actual payments within the same period, exclusive of the sums applied to the redemption of funded or paying off unfunded debt, and of the advances and repayments for local works, etc.:

INCOME.

		£	s.	d.
Customs		22,821,000	0	0
Excise		18,666,000	0	0
Stamps		9,462,000	0	0
Taxes (land and assessed)		3,260,000	0	0
Property tax		8,635,000	0	0
Post-office		3,820,000	0	0
Crown lands, net		305,500	0	0
Miscellaneous—				
Produce of the sale of old stores and other military and naval extra receipts	£644,094 1 1			
Amount received from the revenues of India on account of the effective and non-effective charges of British troops serving in that country, (including £369,889 18s. 7d. arrear charges	1,164,889 18 7			

Allowance out of profits of issue received from the Bank of England, per act 24 Vict., c. 3	131,578	0	0			
Miscellaneous receipts, including imprest and other moneys	648,151	4	4			
China war indemnity	434,747	0	0			
				3,023,460	4	0
Total revenue				69,992,960	4	0
EXPENDITURE.						
Interest and management of the permanent debt	23,714,810	11	7			
Terminable annuities	2,174,350	12	4			
Interest of exchequer bonds	92,500	0	0			
Interest of exchequer bills	315,558	5	10			
				26,297,219	9	9
Charges on consolidated fund :						
Civil list	406,015	14	6			
Annuities and pensions	322,435	3	9			
Salaries and allowances	176,250	5	1			
Diplomatic salaries and pensions	170,327	2	1			
Courts of justice	680,001	13	11			
Miscellaneous charges	181,433	15	11			
				1,936,463	15	3
Supply services.						
Army	14,650,154	6	1			
Navy	10,909 602	7	9			
Miscellaneous civil services	7,360,833	19	1			
Salaries, etc., of revenue departments	4,548,883	10	1			
Packet service	679,396	18	2			
Kertch and Yenikale prize money	85,925	0	0			
Scheldt toll redemption	174,598	16	1			
				38,409,394	17	3
Total ordinary expenditure				66,643,078	2	3
Expenses of fortifications provided for by money raised per act 25 and 26 Vict., c. 78				900,000	0	0
Total expenditure				67,543,078	2	3
Excess of income over ordinary expenditure, in the year ended 30th June, 1864	3,349,882	1	9			
Deduct,—Expenses of fortifications, as above	900,000	0	0			
				2,449,882	1	9
				69,992,960	4	0

COMMERCIAL REGULATIONS.

REVENUE LAW DECISIONS.

DECISIONS OF THE COMMISSIONERS UPON "RECEIPTS" AND BILLS OF LADING IN INTERNAL TRANSPORTATION.

THE Commissioner of Internal Revenue made a decision, a few days since, to the effect that *the person to whom a receipt is given must furnish the stamp.* Commissioner LEWIS says:—

"Ordinarily at law no person is bound to give a receipt for money paid. The receipt is an instrument of evidence, useful only to the person to whom it is given. If he needs a receipt, it is necessary for him to furnish the stamp, or to stamp the receipt, if required, before it is signed. The person who receives the money is not obliged to give a receipt unless the other party furnishes the proper stamp. If a person gives a receipt without requiring that the party to whom it is given shall furnish the stamp, the maker of the reecipt must himself stamp the the paper before he delivers it. If he fails to stamp it before he delivers it, he is liable to the penalty provided by law for the omission; but the other party may stamp it immediately upon its being received."

It would have been much simpler and better, as we think, if, by this new revenue law, every person were required, as is the case in England, to give on demand a stamped receipt to any one paying them money over a certain sum.

The Commissioner has also made the following decision respecting bills of lading. We give the correspondence in full:

NEW YORK, August 8, 1864.

HON. J. J. LEWIS, Commissioner of Internal Revenue,
Washington, D. C.

DEAR SIR,—Herewith I hand you a pro-forma bill of lading or receipt, which in character is about the same as is in use by all the railroad and transportation companies doing business between New York, Boston, Philadelphia, and Western States.

Will you please inform me if it requires a "stamp." If yea, what denomination?—Respectfully yours, M. B. SPAULDING.

TREASURY DEPARTMENT, OFFICE OF INTERNAL REVENUE,
WASHINGTON, August 18th, 1864.

SIR,—In answer to your letter of the 8th inst., I have to say that receipts for the delivery of *any* property are chargeable with a stamp duty of two cents, and this applies to all dray receipts and all receipts issued or received by steamboats, railroads or express companies.

Bills of lading, or receipts for any goods, wares or merchandise, to be transferred from any port or place in the United States, and to be delivered at any port or place in the United States, are subject to the stamp of two cents.

Very respectfully, JOSEPH J. LEWIS, Commissioner.

The result of this decision is, that the railroads and all transporting companies will require the shipping merchants to send receipts "stamped."

DECISIONS IN REGARD TO DRAY RECEIPTS.

OFFICIAL DECISION.

TREASURY DEPARTMENT, OFFICE OF INTERNAL REVENUE,
WASHINGTON, September 13, 1864.

GENTLEMEN,—I reply to your letter of the 6th instant, that bills of lading or receipts of goods, wares, or merchandise, to be transported from one port or place in the United States, and to be delivered at any port or place in the United States, are subject to the stamp duty of two cents.

Duplicates or triplicates are subject to the same duty as originals.

The blank form submitted by you, called a "*dray ticket*," apoears to be only a memorandum for sake of convenience, and not a receipt within the meaning of the act of Congress, *is not* subject to the stamp duty of two cents.

Very respectfully, JOSEPH J. LEWIS, Commissioner.

Messrs. HAMILTON & DUNNICA, St. Louis.

REVENUE STAMPS ON FREIGHT RECEIPTS.

BOSTON BOARD OF TRADE.

A report has just been made by the Boston Board of Trade on this question of stamping receipts, in which they propose the following rules. Whether the Commissioner on Internal Revenue will review his numerous decisions is doubtful, but that he ought to is evident:

That receipts given at railroad stations, on the delivery of freight for transportation, be stamped by the railroad company.

That through receipts given by transportation companies or lines, be stamped at the expense of the shipper.

That receipts, given by consignees to railroad companies on the arrival of merchandise, be stamped by the consignees.

That receipts given at the ship's side, usually called mate's receipts, be stamped at the expense of the ship.

That bills of lading be stamped at the expense of the shipper.

That receipts for freight money be stamped at the expense of the party to whom the payment is made.

THE BOOK TRADE.

Mercantile Dictionary; a Complete Vocabulary of Commercial Technicalities, in English, Spanish and French. By J. DE VEITELLE. D. APPLETON & Co.

THE Mercantile Dictionary of Mr. DE VEITELLE supplies one of the greatest wants of the commercial community. The office of foreign correspondent is one of the most responsible in a large firm, and requires such a complete knowledge of the mercantile technicalities and idiomatic expressions in the different languages, as but few, even of the most accomplished linguists, possess. He who realizes the importance of little things in business life, and sees the serious results of apparently the most trivial errors, can readily understand what might be the consequence of an idiom wrongly translated,

by giving to the receiver of the letter an entirely false idea. To prevent these errors is the object of the Mercantile Dictionary. The correspondent, when brought to a stand still; can refer to it, and is immediately set right; whereas, without it, he might waste much time searching through the most comprehensive general dictionaries, which, being prepared for an entirely different purpose, might fail at last to give him the desired information. The book itself is very well gotten up, and is too small to be at all in the way, when standing, in a convenient place, on the desk. We regret that the German does not also form one of the languages, as that is now so important to the mercantile world.

Heath's Infallible Counterfeit Detector at Sight. The only infallible method of detecting counterfeit, spurious, and altered bank-notes, and applicable to all banks in the United States and Canadas, as now in circulation or that may be issued, with genuine bank-note designs, by the American Bank-Note Co. Boston: LABAN HEATH. 1864.

ANY reliable method of detecting spurious notes in these days of paper currency, when counterfeiting might almost be said to form a regular business, is a matter of importance to every individual; how much more so is it, when the method is so simple, as to be understood by every one, who will take the trouble to examine it, and so infallible as to detect the most carefully prepared counterfeit, even on the first application of the test. Mr. HEATH'S method for detecting bad bills requires no knowledge of the different banks, which are scattered, as thick as blackberries, all over the country; but the fineness of the work is made to tell whether the bill is good or bad. Genuine bank notes are prepared by one or the other of the great Bank-Note Companies, whose machinery is exceedingly costly, and whose engraving is of the very finest description. No engraving done by hand can equal that done by this machinery, and no counterfeiter would care to invest $75,000 to $150,000 in an illegitimate business, which, if discovered—and on account of the bulk of the machinery it would be difficult to conceal it—would not only result in a total loss of capital, but subject him also to a criminal's punishment. There are also ways given to detect altered bills, and the book is illustrated by very beautiful specimens of bank note engraving. It will be found very useful to those—and their name is legion—who would rather carry good than bad money, in their pockets.

The Potomac and the Rapidan. Army Notes, from the Failure at Winchester to the Reinforcement of Rosecrans. By ALONZO H. QUINT, Chaplain of the Second Massachusetts Infantry. CROSBY & NICHOLS, Boston, Mass.; O. S. FELT, N. Y.

A SERIES of letters written to the *Congregationalist*, by one of its clerical army correspondents, after being carefully revised, forms the basis of this work. The author, being the chaplain of one of the Bay State regiments, whose perils and privations he has shared, and whose glories he has a right to be proud of, is, by his position, highly qualified to tell us of those incidents which he himself has seen. His narrative extends over some of the most interesting portions of the war. It embraces the period, when, at the termination of the peninsular campaign, Gen. POPE in vain strove to stem the onward current of invasion, and after carrying us through the battle of Antietam, the incidents of the following winter, and the disasterous defeat at Chancellorville, it shifts the scene to Tennessee, and gives an account of army doings there. Thus this little book presents a double attraction. By reading it we kill two birds with one stone. We obtain a knowledge of army life, both in Virginia and Tennessee; we are intro-

duced to the armies of the Potomac and of the Cumberland. Such notes as these—giving the observations of intelligent eye-witnesses—cannot fail to be interesting to the general reader now, and invaluable to the historian hereafter.

The Forest Arcadia of Northern New York, embracing a view of its Mineral, Agricultural and Timber resources. Boston: Published by T. O. H. P. BURNHAM, 1864.

THIS little book, issued from the press of T. O. H. P. BURNHAM, of Boston, does the greatest credit to both author and publisher.

As may be gathered from the title, it is a narrative of sights and incidents, seen and experienced, on visiting that portion of the great wilderness of Northern New York lying in St. Lawrence County, on the Western slope of the Aderondac Mountains. The plateau, of which this section is a part, is said to embrace many thousand square miles in extent, to be very fertile, and to have an elevation of from fifteen hundred to eighteen hundred feet above the sea. A country thus favored, watered by the Grass and Oswegatctin Rivers, following by circuitous windings the stratification of the country, studded with numerous lakes and ponds, adding a beauty of their own to the silent wildness of the place, could not fail to draw out the enthusiasm of the ardent lover of nature. Such an one the author seems to be, and it is not wonderful, therefore, that he should be inspired by his subject, and that his impressions and thoughts should well out with freshness, vigor and beauty. Thus, in his pleasant way, he gives us an account of the movements of himself and party from place to place, the little incidents occuring, together with much valuable information respecting the resources and attractions of the district visited, thoroughly innoculating the reader with his enthusiasm. The book will well repay one for reading it.

The publisher, also, deserves great credit for the beautiful style in which the book is issued: the paper is excellent (tinted), the type clear, and the binding extremely neat.

The Destiny of Our Country. By CHARLES P. KIRKLAND, of New York. Published by ANSON D. F. RANDOLPH, 770 Broadway.

THIS address is not precisely what its title would indicate, but rather an examination into the causes, probable issue, and effects of the present rebelion, and was delivered before the Alumni of Hamilton College at their last commencement.

Mr. KIRKLAND is a very able writer, full of enthusiasm, and particularly so on all subjects connected with the war. Whatever he writes, therefore, is of decided interest, whether one agrees with his conclusions or not. Just how or why this war was begun and what will be its end, are questions upon which there must be different opinions; and yet all will be glad to see the views presented in this address, knowing that they are the earnest convictions of one who has the true interests of his country at heart.

1. *The First Three Books of Zenophon's Anabasis*, with Explanatory Notes, Vocabulary, Maps, etc. By JAMES R. BOISE, Professor in the University of Michigan. D. APPLETON & Co., 443 and 445 Broadway.
2. *Progressive Lessons in Greek*, with Notes, Vocabulary, and Epitome of Greek Grammar for the Use of Beginners. By WILLIAM B. SILBU, A. M., New York Free Academy. D. APPLETON & Co.

THE above edition of Zenophon's Anabasis has many excellent features to recommend

it to the student and teacher. The map which is given showing the rout of the ten thousand Greeks, the very full notes and excellent vocabulary at the end of the volume are certainly extremely important aids, making the edition a truly valuable one. To the younger student and the beginner of whatever age, the "Progressive Lessons in Greek" will prove very acceptable. Great care appears to have been used in the arrangement, so that with this little book, one might by his own unaided efforts make great progress in the study of the Greek.

1. *An Elementary Arithmetic.* By G. P. Quackenbos, A. M. D. Appleton & Co. New York.

2. *First Book in English Grammar.* By G. P. Quackenbos, A. M. D. Appleton & Co.

These books are intended for children, and have been very favorably received. The Arithmetic is an agreeable combination of Slate exercises and mental operations.

THE MERCHANTS' MAGAZINE AND COMMERCIAL REVIEW.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

DECEMBER, 1864.

THE FRANCO-ITALIAN CONVENTION.

T. M. J.

The uncertainty, which has of late years hung over the fate of the Italian peninsular, seems now about to disappear; and that nation, uniting most of its scattered fragments under the rule of one sovereign, takes its stand among the great powers of the world. To be sure every thing is not as we would have wished. Regrets may indeed arise when we consider that the Austrians yet hold Venetia, and that, under the provisions of the Franco-Italian Convention, the Pope is still to reign at Rome. Yet to the commercial world the now independent existance of Italy is a fact of great importance, and we will rejoice in what has been done, hoping that the future will accomplish the rest.

The treaty agreed upon between France and Italy, concerning the settlement of the Papal States, and the withdrawal of the French from Rome, has not yet been published; but enough has been made known through the semi-official organs to satisfy our curiosity on many important points. It seems that the Emperor Napoleon has consented to yield to the wish of the Italians, and to the pressure brought to bear on him in their favor, so far as to consent to a removal of the Roman-French army. He seems now to acknowledge the strength of the new nation, and the increasing development of its popular support, and to acquiesce, therefore, in the withdrawal of his soldiers, provided Italy will at the same time agree to respect the independent temporal power of the Pope. He does not, it is true,—perhaps, as a Catholic sovereign, he cannot—consent openly to abandon the Holy Father and leave his temporal dominions to be swallowed up by the augmented power of the Italian king; but he can and has refused any longer to uphold "the obstinate aggressiveness of the Papal policy." In his letter to M. Thouvenal in May, 1862, he expressed his conviction that the Pope's temporal jurisdiction should be maintained, and that Italy would certainly act wisely, were she to acknowledge it as a political ne-

cessity. By such a course Italy would free herself from the imputation of maintaining an anti-Catholic resistence to the holy see, "and the Pope," said he, "brought to a reasonable view of the state of affairs, would understand the necessity of accepting everything which can bind him to Italy." At the time this letter was written there seemed to be no probability that either party would come to terms. The Pope would not treat with Italy, and Italy would not respect a sovereign, who refused to acknowledge her political existence. But now the state of affairs has somewhat changed. The Italian Government, looking soberly, and we think wisely, at the real state of the case, appears to have determined to accept matters as they are, and take what it can get. By the articles of the treaty the French Emperor, as we have said, engages to withdraw his troops from Rome. He does not, however, agree to do this at once, but by degrees, in order that the Pope may fill up his ranks from foreigners of any nation, which Italy is to allow him to do. He is, however, to evacuate entirely within two years. Italy, on the other hand, is to acknowledge the temporal power of the Pope and to respect his frontier, and, as a pledge of sincerity, she is to give up all idea of Rome, and to fix her capital elsewhere.

The advantages to be derived by Italy, if she accepts these terms, are great indeed, and hardly to be over estimated. No country so much as she needs a long period of peace, in which to secure herself from domestic disturbance, to develop her strength, cement her union, and to restore her finances to a healthy condition. To form a union of different States, which have been independent for centuries, and not always friendly, is not to be accomplished in a day. It requires time to consolidate the various discordant interests, and to overthrow long standing and deep seated prejudices. This certainly has not yet been more than partially accomplished. It will require years of constant intercourse among the people to knit together firmly and securely the broken fragments of dissevered Italy. In any great political change, which a nation may undergo, those are always found who cling with the strongest tenacity to the manners and customs of the past, and it requires much more than mere outward demonstrations of popular enthusiasm to wear off the obtruding corners of party opposition. When the noisy hurrah of popular feeling gives way to the sober earnestness, which is to carry out the dictates of patriotism, then the voice of the adherent to the old ideas will be heard, and it becomes the province of the statesman to calm rather than subdue such opposition, and to gain over to his own side the men who were powerful under the old regéme. A fatal mistake is too often made in this particular, and this is, we fear, the mistake of Italy. The Piedmontese are a narrow and stiff-necked people. They love to rule, but do not always rule the best. Instead of casting out merely the upholders of an Austrian tyranny, and allowing each State to be governed, (as far as possible,) by its own people, they have superseded those already in power, and have sought out local eminences, to be enjoyed by the stranger rather than the native. Thus the men, who were prominent in Naples, Florence, and Milan, suddenly become of no importance in Italy, and as they were the representatives of a powerful party, the opposition has become extreme. Probably the Italian Government, necessarily turning most of its attention to foreign deplomacy and a centralization of its newly acquired powers,

has been unable to give much attention to the minor concerns of local interest. In order to accomplish this a long period of perfect peace is necessary; a period when the popular mind can look forward to a settled future, and when the Government, withdrawing its attention from foreign war, can apply itself to the task of removing the irritation at home.

But Italy, moreover, needs time to develop her resources, to reduce her expenditure, and to place her finances on a firmer and surer basis. The miserable petty governments, which formerly held the country, were ill calculated to render her industry and commerce as productive as they might have been. Ruling with the iron rod of tyranny, they destroyed the productiveness of almost every pursuit. The native energy and industry of man, if left to itself, even unaided by governmental support, but, at the same time, untrammeled by governmental opposition, will develop the hidden resources of a country, increase the revenue, and so maintain the credit. A man will continue that occupation, which he finds to be to his pecuniary advantage; but when, from overtaxation, governmental oppression, or any other cause, it ceases to be productive, he will cease to work, and from that moment he becomes a burden, a source of weakness to the country—he ceases to work but continues to consume.

Unfortunately the petty princes, who formerly ruled in Italy, pursued the short sighted policy of weak tyrants. Hated by the people, and maintained in power by the bayonets of a foreign potentate, they had but few interests in common with the country they ruled over. Whether the wealth of the community increased or not was a matter which seemed to them of minor concern. As long as they were comfortable, and had foreign soldiers enough to keep down the people, their ambition was satisfied. Of course if they had been wise enough to have studied their subjects interests they would have found them to have been identical with their own. Had they endeavored to build up an extensive and flourishing trade, and protected agricultural pursuits, they would have obtained the good will of their people and the respect of the world, and never have suffered the disgrace of such a rapid and ignominious flight. Still their acts are of the past, but the consequences of those acts must long be felt by the country.

Every one who has traveled in the peninsular has seen in part the results of this past policy, in the almost endless multitudes of beggars one continually meets there. The stranger is constantly beset by hideous specimens of deformity asking charity, or by some one whose appearance would indicate, that he should be far above it. Indeed, begging has become quite a respectable profession in Italy, and a deformed leg, a broken bone, or a putrifying sore, from which any sensitive man would turn away in disgust, is regarded as the very height of good fortune, and is used as so much stock in trade. It has been said, that some of the brilliant lights, who have adorned this very creditable calling, have actually suffered their flesh to be lacerated, in order that the artificial wound might be used to extort money from unwary travelers.

Such are the consequences of a policy, that does not allow labor to be productive. Then, too, that immense system of superstition by which the people have been oppressed, is one of enormous expense, and remarkably well calculated to eat out the very vitals of the country. It has been said, that in Italy every tenth man is a priest; we think we would

not be far out of the way were we to add that every tenth man is a soldier. Such an enormous proportion of non-producers must of necessity soon reduce a nation to beggary. One-fifth of the population cannot be maintained in almost entire idleness, without the result being felt by the community at large.

Thus we see how the Italian people have been oppressed and impoverished, by the bad government of foreign princes. Now, however, a different lot awaits them, if they will only continue with patience what they have begun. VICTOR EMANUEL cannot change all this at once, but we hope much from him. To be sure the government of the Italian king is not one, which, in our acceptation of the term, could be called liberal. The freedom, which the Sardinians and Piedmontese have enjoyed, is not a freedom which we would be likely to relish. They are free for Italians, not for us. Their liberty, then, is a relative not an absolute term,—and it is in this restricted and limited sense that it is used. But to learn what will be the effect on Italy of his government, we must look at its results in the past. Sardinia and Piedmont have always presented, even to the hasty glance of the traveler, unmistakable evidences of a well-regulated and liberal-minded government. Turin is, without exception, the most beautiful and flourishing city in Italy. The modern and comfortable appearance of its houses, the beauty and regularity of its well-paved streets, and the evident activity and energy of its inhabitants plainly show, that its government has been one, which studies to promote the interests and so to develop the industry of its people. In Genoa, moreover, the same thing is strongly manifested. Alexandria and Asti, also, are important and prosperous places, and the whole country seems vitalized with the healthy atmosphere of an active diligence, perhaps not so extensive in its influence as we might wish, nor so well fostered by the government as it might be, but still in striking contrast with the squalid penury of Naples and Rome. And why cannot we expect these same evidences of prosperity and power to manifest themselves in every quarter of the peninsular, over which the same rule shall extend its happy sway? When the blasting influences of the dark cloud, which has hung for so long over that beautiful country, are taken away, why cannot the industry of its people, no longer trammelled by a pernicious legislation, build up and maintain a flourishing trade, which will establish the nation in its proper place, and prove the best bulwark of its increasing liberties? And not only is this part of the kingdom more liberal in its legislative action, but here also, and here only, is any religious liberty enjoyed. In the city of Turin the traveler is shown a fine stone church of modern architecture, with a tappering spire pointing heavenwards, in which the few of the reformed faith are permitted to meet together, and worship according to the dictates of their own consciences. In this quarter, also, that progressive spirit was manifested, which impelled the priests themselves to petition for such reformation, as would have purified, in a very great degree, the entire character of their church. These, it is true, are but signs on the surface. Still they are there, and have a real significance. They are oases in a desert which refresh the heart and encourage us to hope.

But it is absolutely essential, that Italy should enjoy a period of rest. Her annual deficit is not far from $50,000,000; and it is only with peace, that this deficit can be changed into a surplus, and the evils of oppres-

sive taxation be mitigated. Let the government once be able to reduce its army, and with that its annual expenses, devoting its energies to encouraging industry, capital will immediately flow in, labor become remunerative, making that sunny land rejoice again in prosperity and abundance.

But what is the feeling in Italy with regard to the Convention? One would naturally expect that the provisions of the treaty, which do not guarantee to Italy an absolute and entire unity, would instantly be spurned as treason by "the party of action," and be maintained, (if maintained at all,) only by the conservatives. But, strange to say, just the contrary is the fact. The requirements of the Convention are upheld by the radicals, while the moderates appear to be the first to denounce them. "The wise and noble constraint," which the former have placed upon themselves, is certainly deserving of the highest praise, and appears in striking contrast with the selfish sectionalism of the old Piedmontese party. How GARIBALDI will act is as yet uncertain, while MAZZINI, it is true, has come out against the treaty, and denounced it as an acknowledgment of the superiority of France, and a base surrender of the inalienable rights of the nation. But MAZZINI is an enthusiast, seldom doing anything sensible. Nor yet has he been able to carry but a small number of what is called his party along with him. Even in Naples, the most discontented and radical portion of Italy, the greatest acts of patriotic self-denial have manifested themselves.

The Baron NICOTERA, who stands at the very head of all Italian radicalism, has set a most glorious example of disinterested patriotism. Not only did he come out in favor of the Convention, as the surest way of advancing Italian unity, but also, by embracing a favorable opportunity to utter a few sensible words at a critical moment, he was enabled to turn the course of Neapolitan feeling and to render the provisions of the Convention acceptable to a large class of the people. The words spoken by this patriotic man, not only a Neapolitan and a Garibaldian, but even a supporter of the Aspromonte blunder, are full of interest, as showing the moderate views held even by the radical party. Efforts were not wanting on the part of the male-contents to stir up in Naples a feeling adverse to the Convention, and it required just such a man to utter just such words as those made use of by the Baron NICOTERA. "You see here," said he, "men united, who yesterday would not salute one another, and to-day they have give each other the hand in the holy name of Italy, because a subject of the highest interest to Italy is under discussion. Naples by its plebiscite made Italy, and by its meeting this day gives an example of concord and union to all Italy. To the moderates I will say, we were not intractable; and to those of the party of action, this is good sense and it must continue. To the Bourbonists and the enemies of Italy, I will say: look at our union and abandon your hopes. I will repeat the words of an illustrious general: 'When Vesuvius thunders Portici is in danger.' Citizens let us be united and temperate; leaving this place let us not make any demonstrations, nor utter any cries in the streets; let us disperse with dignity, and while discussing the programme let us confine ourselves to the question." The high position occupied by NICOTERA, and the absolute impossibility of supposing him wanting in patriotism and indifferent to Italian unity, gave great influence to what he said, and served to turn

the tide of feeling in Naples in favor of the Convention, even though compelled to surrender her claim to be selected as the national capital. Naples, as admitted by most of the Italians, has a right to such a distinction, superior to any other city, with the single exception of Rome; yet is she willing for the sake of Italy to give up that right to Florence. Such an example of moderation is seldom witnessed, and those who practice it are worthy of the highest praise.

But while this unselfish spirit was manifesting itself in the South, what was the impression produced at the North? Some time ago the *Gazette* of Turin published an article in favor of the treaty, at the same time condoling with the Turinese on account of the consequent loss to their city of prestige and power. On the 21st September a procession of the people was formed, intended as a demonstration in opposition to the removal of the government. It proceeded to the office of the *Gazette*, which it mobbed, breaking the windows and committing other similar acts of violence. Some of the rioters were arrested by the police and put in confinement, and their flag was taken from them. This act of violence on the part of the people, displaying, as it did, their aversion to the Convention, was disgraceful enough, but it sank into comparative insignificance when compared with the acts of the municipality. The municipal council immediately ordered the release of the persons arrested, and the restoration of their flag. This was nothing more than a direct endorsement of their views, and a display, on the part of the authorities, of a feeling opposed to the treaty and in sympathy with the mob. As a natural consequence the liberated rioters became more noisy than ever, raved about the streets, got into a fight with the soldiers, and many lives were lost. It was of course well known, that the demonstration was started by the respectable class of bankers, lawyers, etc., and descended from them to the lower classes, who did the dirty work in the streets. On the 23d September, only two days after the riot, the municipal council of Turin showed still further their sympathy with it, by a formal protest in opposition to the French Convention. We do not object that the conservatives should be opposed to the Convention, if they consider it in opposition to the highest good of the nation; but *we do object* that they should be opposed to it on account of the interests of Piedmont.

But the old Piedmontese party have shown their aversion to the treaty if possible more plainly than the municipality of Turin. Rattazzi and the men, who hold the power in that party, have zealously made use of that power against the Convention. They have exerted all their influence among the people, not to persuade them that the requirements of the treaty are detrimental to Italy, but to stir up a petty jealousy on account of the loss of the capital. The Marquis Ricci, one of the ministers under Farini's administration, published, in the *Gazette del Popolo*, a very able but mischevious letter. He attempted to show, that if the Convention proved successful, and the capital were moved to Florence, the incorporation of Piedmont into France was merely a question of time. "Let us fancy," said he, "a gentle and peaceful government established in Florence. From Sparta we are gone to Athens. But Piedmont suffers in honor, interests, and secular traditions. Piedmont will become Poland, Hungary, Ireland. After a time more or less long, it will be evident to men of tranquil politics, that since it is impossible to pacify Pied-

mont for damages sustained, the best thing is to rid oneself of such a turbulent people, by handing them over to France. In short, the Savoy business and its 'mutual repulsion' will be repeated, with the difference that obtains between old reminiscences of supremacy and the passions that are fresh, vigorous, and exasperated by hatreds truly Italian." Such is the language of men who call themselves conservatives. It is the language of the men, who in reality regard the interests of their section or province as superior to their country's greatest good. While among the Neapolitan radicals we hear of nothing but an earnest desire for the good of Italy, the great question at the north seems to be: What will be most conducive to the interests of Piedmont? On the one side is the comprehensive consideration of country; on the other the petty jealousy which arises from sectional ambition. It is the same spirit which manifests itself in the crisis of every nation. It is the same thing whether it appears in the narrow sectionalism of Piedmont, or in the pernicious states rights doctrine, which led to the rebellion of the South. The principle is to talk loudly of country as long as the power is retained; but to turn when the good of the nation demands, that the power, so long held, be withdrawn.

But while we give all honor to the "party of action," in that for their country's sake they are willing to waive or defer their long cherished hope of making Rome the capital of a united Italy, still we cannot but sympathize with the desire. To be sure there are reasons why Rome should not now be selected. If it were, how could the Papal question be settled? The Holy Father could not possibly reside elsewhere; nor could a spiritual and a temporal jurisdiction be maintained in peace within the same walls. Yet, although the giving up of Rome is a present necessity, we trust it will not always be so, for Italy ought not to be permanently ruled from any other than the Eternal City. Florence, indeed, possesses very many of the requisite qualifications. Its situation is central, its climate salubrious, and its very name is surrounded by a halo of associations upon which the mind loves to dwell. Yet the associations of Florence are different from those of Rome. Firenza la Bella presents to every mind a picture of peaceful, quiet beauty; while the very name of Rome is forever associated with all the stern realities of a great and powerful government. On the gently-sloping banks of the rippling Arno is the proper place for the poet to muse on days gone by, and to clothe with all the beauties of immortal verse the hallowed memories of the past; while the bosterous, tumbling waves of Father Tiber, as he rushes by the capital, and under the massive arches of the Ponte St. Angelo, brings before us the stern eloquence of CICERO, and tells of noble deeds of patriotic valor. In Florence we expect to hear the gentle clicking of the sculptor's chisel, and to see its every wall adorned with beautiful works of art. Rome presents at once to the mind the harsh tramping sound of armed men, and there we would expect to see all the brilliant paraphernalia of war, and to find the center of a powerful nation. It is hard to think of Italy and not to think of Rome. Yet if it must be so let us be content to wait and hope that some future disturbance in European politics will bring about a time, when the Austrians will be driven from Venetia and the government will be placed upon the capitol, and the king of an *entirely* united Italy will hold his court in the seven hilled city, and bring back into modern times some of the hallowed memories of Imperial Rome.

INDUSTRY AND REVENUE OF SWITZERLAND.*

In 1850 a fiscal reform was effected in Switzerland. Previously to that date each of the cantons levied its own customs duties within its own circle of territory. In 1850 the Confederation centralised the entire collection of those duties in its own hands; but by article 29 of the constitution it was at the same time stipulated, that the free purchase and free sale of cattle and of ordinary wares and merchandise, their free entry, their free exit, and their free passage from canton to canton, should be guaranteed through the length and breadth of the Confederation. But from this freedom the following articles were excepted: The purchase and sale of salt and of gunpowder; the duties granted or conceded by the Diet, and which the Confederation did not suppress; and the duties on the consumption of wines and spiritous liquors, levied locally in each canton in the nature of excise. But by article 32 this power of excising liquors is subject to certain restrictions. The levy of these local duties is not allowed to be interfered with so as to burden transit, by any tax; if the articles are re-exported from any canton the duties paid on their entry into that canton are remitted, nor can any other charge be substituted in lieu of them. Products of Swiss origin are less heavily taxed than foreign products. The existing duties on the consumption of wines or spirituous liquors of Swiss origin cannot be increased by the cantons in which they are imposed, nor can they be levied at all where they were not levied previously to 1850. Such are the principal points of the federal constitution bearing upon the cantonal rights to levy excise duties, and such duties are levied, but with few exceptions, solely upon liquids.

Local fiscality varies in its amount and in its objects in different cantons, and it would be uninteresting to occupy space with such minute details, but we shall give a general result. "Eighteen cantons, numbering a population of 1,775,335 souls, raise excise duties amounting to 2,502,387 francs 57 centimes; among these eighteen cantons eight raise in addition, by the sale of excise licenses, 167,775 francs; four cantons, numbering a population of 574,725 souls, raise by the sale of excise licenses (no excise dues being levied) the sum of 326,644 francs; and finally, one canton and two half cantons, with a population of 148,468 souls, enjoy the privilege of not knowing what an excise officer or an excise license is like." In some of the cantons these excise duties form a very important part of cantonal revenue. Wine and brandy are chiefly imported from France, the former article to the annual value of 20,000,000 francs—a very large sum for so small a country as Switzerland—but numerous tourists in the summer months contribute greatly to the consumption.

The Swiss are well known as a laborious and frugal people, and among their industries the manufacture of cotton has made very respectable progress; but there are some circumstances in which it differs from our own, and these are of sufficient interest to deserve some notice. The Swiss

* See Jenny on Switzerland.

spinner has no facilities for obtaining his raw material at short notice, and therefore always holds a considerable stock in his stores, generally sufficient for a year's consumption. Before our civil war he bought large quantities directly at New Orleans or other Southern ports, acting as his own broker, and thus obtained his supply at a figure lower than the ordinary market rate, which compensated him for loss of interest and rent of warehousing. Another difference between the Swiss and the American manufacturer is the relation in which the employers and the employed stand to each other. The Swiss laborer is never regarded as a "hand," and he himself never forgets that he is a man, on whom the principle of honor has a very strong hold. "In Switzerland the operative who leaves a good master for better wages would be despised by his fellow-workmen;" on the other hand, the master who aimed at underselling by cutting down wages, would be scouted. Thus the millowner and the operative are influenced by a mutuality of considerate feeling, and selfishness does not rule in the trade. Since our war there has been a decrease of work of 40 per cent, but it appears that only one mill has been stopped, and even in that case the men are paid their wages, and thus receive a retaining fee which binds them morally to their employers, for whom they will work again when business is resumed. In Switzerland the operative spinners and weavers have an advantage many others do not possess; they have small patches of land to cultivate, and never being detatched wholly from agricultural pursuits, they are not mere "specialties" as in England, unfit for every occupation but the one to which they have been trained. The consequence has been that in the recent dearth of cotton there has been no distress in Switzerland. The canton of Glarus is eminent in this manufacture.

"It has at present 206,000 spindles, 2,500 power-looms, several bleaching works and dye establishments, besides 4,000 printing presses of various kinds. In these establishments from 9,000 to 10,000 workmen are employed, and the floating and fixed capital may amount to 40,000,000 or 50,000,000 francs."

Since Switzerland has to compete with the world, and is relatively a poor country, how does it sustain itself in the unequal struggle? It works with old machinery, not being rich enough to buy the new inventions when these are first introduced. The following comparison has been made: A mill for spinning, in full working order, costs in England 25 francs, in Switzerland 50 francs per spindle; one for weaving, in the former country, from 400 to 500 francs, and in the latter from 900 to 1,200 francs per loom. This difference in fixed capital is enormous, nor is that the only disadvantage. In England, on account of the superior machinery, four or five persons can manage 1,000 spindles; in Switzerland, nine or ten are required. In England machine making is a separate trade, largely carried on in every manufacturing town of importance; this is not the case in Switzerland, where the smallest cotton-mill must possess its own mechanical contrivances as an adjunct to itself. England works with steam power, Switzerland with water power; but the first cost of steam power does not equal one-third of the cost of water power. How then does Switzerland stand her ground against such formidable competition? Because her operatives work longer hours, and receive lower wages; and because the habits of her manufacturers are more simple and economical,

and their personal expenditure is less. It is said that they display more tact in their mercantile operations.

The history of the silk industry of Bâle is very interesting. Its rise and progress have been carefully studied by Professor KINKELIN of the University of Bâle, and we take him as our guide in many curious details. In former times "silk ribbons were woven by the gold and silver lace-makers on small one-shuttle weaving looms, and the shuttles were thrown by hand." Silk ribbons were then in scanty use. The lace-makers had a particular guild of their own, in common with other artisans. No one could be a master unless he had been an apprentice for several years, and had been employed abroad as a working journeyman for three years. In the second half of the seventeenth century a great revolution took place in the trade by an invention, which set the shuttle in motion by mechanical means, and which gradually displaced the hand looms. The lace-makers resisted the owners of the ribbon mills, and, to show the character of the age, in several places those mills were burnt by the hangman as works of the devil. But they could not be suppressed either by violence or by superstition, and the lace-makers who, in 1670, worked 359 shuttles in Bâle, foresaw the ruin of their trade. The ribbon mills were legalised in 1691 on payment of a tax of one fourth per cent on the money value of the material worked up in a mill during the year. After many contentions between the lace-makers and the ribbon mills, which were appeased by the intervention of the government, the ribbon manufacture became firmly established; but it received a check from an edict of the Germanic Empire prohibiting the fabrics of Bâle, which, however, was removed by the Diet of Augsburg in 1725. It also suffered from the thefts of the workmen, who stole the silk, but that was suppressed by severe punitive laws. This was an era of government regulations, when authority interfered in every trade, as though men of business were incapable of conducting their own affairs. The following rules were enacted: "It was ordered that all manufacturers should inscribe themselves on the books of the committee (of supervision,) and that the non-inscribed should be forbidden to manufacture; that the manufacturers should pay the wages of their operatives as fixed by the government; that no operatives were to be allowed to work cheaper for a native or foreign manufacturer; that no operative could work at another manufacturer's unless he produced a regular permit or discharge from his former employer." The law also fixed the number of ells each sort of ribbon should contain per piece. No looms could be made except for the citizens of Bâle; their sale to others was strictly prohibited. Foreign workmen could not be employed, and operatives emigrating clandestinely forfeited their civil rights and property. Whoever attempted to inveigle operatives out of the country was fined 50 thalers. The lace-makers at last became paupers, and in 1788 an ordinance was passed for their relief, which imposed a tax on ribbons, that article having caused their ruin. It was never evaded, for at the French Revolution the books of all the manufacturers were scrutinised and stood the test honorably.

These old regulations ceased in 1798, when the revolution subverted all that was ancient; but now that Europe is gradually relaxing all old restrictions this sketch of former systems (for they were not confined to Switzerland) may not prove altogether uninteresting to our readers. At present gov-

ernment claims no right of interference with the private affairs of the citizens. Protection, as enforced at Bâle, had at least this good effect—it secured the reputation of the local manufactures; no short lengths, no false or rapidly perishable dyes—in fact, none of the vile frauds now so common in England, and which have compelled parliamentry interference, were then possible. If free trade was then denounced so was free booty. Workmen were not at that time the serfs of the factory. They had their own looms, and worked at home, and had their small piece of land, which their family cultivated, which fostered and perpetuated an independent spirit among the people. This state of things still continues to a large extent. "Of the 7,250 ribbon looms 5,000 are in the private dwellings of the operatives in the country or the town, and 2,000 only in manufactories, independently of the 250 looms upon which the ribbon patterns are woven under the eyes of the manufacturers." The silk industry must be carried on in a light, airy, and dry situation, free from vapors injurious to the lungs, which deprive cotton operatives of strength, health, and even life. At Bâle 6,000 looms are still worked by hand, about 500 by water power, and 750 by steam. The looms belong to manufacturers, and each operative pays two per cent of his wages for the use of his loom. Sufficient confidence is reposed in his honesty and faith not to exact from him a deposit for the value of the machine. The wages of silk reelers are from 1½ to 2 francs a day; of warpers, from 2½ to 3 francs; of lace-makers and weavers, from 4 to 5 francs. Among themselves the workmen contribute monthly to a sick fund, on which they draw when ill at home; or if they enter the hospital the charges are paid out of it.

The Bâle ribbon manufacture is famed for excellence. Dyeing has made considerable progress. The dyers are responsible to the manufacturers for spoiled or damaged goods. There are eight of those establishments at Bâle, the largest employing 300 persons. In 1846 the total value of ribbon manufactured at Bâle was 20,000,000 francs annually, nearly half of all produced in Switzerland, which was 46,000,000 francs. At present the total production is put down at 35,000,000 francs. Bâle now competes successfully, even in Paris, against its French rivals, though at a disadvantage of from 5 to 7 per cent of import duty. The Balois keep their own designers in Paris. The French formerly had an advantage in the excellence of their silk, but now they are rivalled by Bâle. The prosperity of Bâle is mainly attributed to the honesty of her manufacturers and operatives, all their articles being what they profess to be, in quality and length of the piece, and to the superior education of the workmen, who are admirably schooled. If they are not so quick as the French they are more solid, and their employers are cleverer merchants than the French. At Bâle there is a Society of Public Industry, which maintains three industrial schools, where the arts of manufacture, drawing, and modelling are taught; and also one designated the "French Repetition School," so designated because the pupils, who have been already taught the French language in early youth, there repeat what they have acquired, so that they may not forget. The manufacturing school is free to students. At the drawing and modelling the charge is about one franc per month. Then there is M. Richter-Linder's school for girls. He only receives those who have been badly trained, or have received no training at all, and out of several hundreds—all of whom must have remained with him

four years before they are discharged—a bad report has not been heard in a single case. M. Richter has two establishments—one at Bâle, with 200 Protestant girls, the other in the canton of Lucerne for Roman Catholics. They are taught the domestic economies of the household, to cook, to mend, to clean, and to preserve from injury. They are also instructed in the art of twisting, cleaning, and assorting silk. Religious instruction is imparted. When they leave they receive 300 francs, less the expenses of clothing.

Under the governments of the cantons of Bâle and Zurich, by which it is licensed, is the silk dryers' establishment. It belongs to a company of shareholders, having a capital of 27,500 francs. They weigh the bales of silk when moist and when dry, and determine the legal trade weight. Then there is "The Young Merchants' Union," formed for scientific instruction, taught by professors, who deliver lectures on political economy. Finally, the Bâle silk trade (the vital occupation of the town) gives subsistence to one-fourth of the inhabitants, or 10,000 persons, and indirectly to 30,000 people, if we include the workpeople constantly coming and going from and to the adjacent parts of Switzerland, France, and Belgium, as well as those in the cantons of the Bâle country.

We now pass to the agriculture of Switzerland. The Swiss acre (40,000 square feet) of good arable land in the canton of Berne varies in price from 1,800 to 2,000 francs. On the shores of Lake Leman, between Lausanne and Geneva, it has been sold for about 10,000 francs; and in the vine-growing district of Lavaux, between Lausanne and Villeneuve, for as much as 20,000 to 25,000 francs, and even beyond those figures. "The arable land in the neighborhood of Berne lets, on a twelve years' lease, at from 70 to 95 francs an acre. Deducting cantonal and communal taxes, an estate there bears interest of about 3½ per cent, rather less than more. The daily wages of a laboring man is 1 franc to 70 centimes, of a woman 1 franc. The average produce per acre for spelt, the kind of wheat generally grown here, is about 7.740 imperial quarters; for hay and the aftergrowth, from 2 to 2½ tons of English measure." A good Swiss cow yields about a gallon and a half daily. Meadows artificially irrigated remain so from three to six years, when they are ploughed and converted into arable. There has been a diminution in the price of cereals in Geneva of one-third, and in Zurich of one-fourth, since the introduction of railways; but none in those cantons which export corn. As Switzerland imports one-third of her consumption, it represents, compared with former prices, a yearly saving of from 9,000,000 to 10,000,000 francs. The import of coal, since the establishment of railways, has risen from 28,000 quintals, the average between 1852 and 1856, to three millions and a half of quintals in 1862.

The revenue of the Swiss Confederation in 1862 was 19,911,656 francs 98 centimes; the expenditure, 19,286,039 francs 83 centimes; surplus, 625,617 francs 15 centimes, but the financial future threatens deficits. Owing to recent treaties of commerce the receipts of customs, the mainstay of the Confederate treasury, have largely diminished, and an increased outlay, to a considerable extent, is imperatively required to correct the waters of the Rhone and the Jura. For those rivers, for the Alpine roads, and for supplying the troops with a new infantry musket, it is calculated that 14,400,000 francs will be required, to be distributed over ten years;

and as this expenditure could not be sustained by the ordinary receipts, Swiss financiers are fearful that they will be driven to a loan. In common with all other European States, the Confederation is heavily burdened by military estimates, and it seems extraordinary, that in so small a population 187,292 men of all arms should be maintained.

The foreign trade of Switzerland does credit to the enterprise of her merchants, and the goodness of her exportable commodities. She sends iron material in large quantities to Germany, and silks to Russia, also cheese. The English treaty of reciprocity has enabled the Swiss to place some of their goods on the same footing as the French. A considerable quantity of their merchandise, destined for China, East and West Indies, Australia, and South America, is sent to England to be transhipped to the United States. Bâle, Geneva, and Zurich, remit annually to the amount of 40,000,000 francs. Switzerland has formed a treaty with Japan. Our civil war has caused a reduction in the cotton fabrics of Zurich to the extent of only one-sixth; but though the manufacture has declined to this extent, M. Fiez, the head of the Exportation Society of that canton, does not think that any profit has been realised, owing of course to the enhanced price of the raw material. This is a common calamity in which all Europe notoriously shares.

NATIONAL SAVINGS AND NATIONAL TAXATION.

Number I.

We have attempted in several articles of late to convey to our readers some idea of the amount of our national savings, for the purpose of reaching correct conclusions as to the tax-paying abilities of the country. In doing so, we of course pretended to no refined accuracy, for, in examining such a question, all that can be done is to arrive at certain probabilities by the aids of materials, all of them imperfect and many of them deceptive. Still the inquiry is one of increasing importance, and we propose to pursue the subject further, hoping in the end to have furnished our readers with materials for approximating to a correct conclusion respecting the matters discussed.

Only two questions are of much importance to the American people at the present time, to wit: first, What is the minimum expense of an efficient war, and how can that desired end in the management of it be reached? and, second, In what way can the country's annual earnings be best obtained for and applied to the payment of the necessary taxes? The great fact that this war is to be continued, be it long or short, until these States are united again, has been settled by the late election, and it only remains to consider how it can be done with the least detriment to the country and to us as individuals. The latter inquiry is the one we have to deal with; and, as a first step, it is necessary to examine into the amount of our resources, or, in other words, our annual savings.

That we may have a clear appreciation of the matter, it is well to state here what is to be understood by the word "savings." It is used to designate the net surplus which remains for employment and investment

after all expenses of living and of carrying on the public and private transactions of the country have been met, and after all expenditure necessary to replace wear and tear has been provided. For example, a family living upon weekly wages, lives as frugally as possible, and after food, rent, clothing, and medica lbills, etc., have been paid, there remains a little sum which is put in the savings bank—that sum is annual savings. Sometimes, out of that savings, new furniture may be bought: that becomes personal property, which is assessed and taxed by law, and is part of the savings. When the operations are larger the savings assume many shapes, and the following describes pretty nearly the ways in which they are employed:—

1. Purchases and improvement of land, drainage, machines, buildings, etc., necessary to production.

2. Construction, improvement and repairs of dwellings.

3. Construction, improvement, and repairs of factories, workshops, tools, motive power, etc.

4. Creation of public works, railroads, docks, bridges, telegraphs, roads, churches, hospitals, colleges, asylums, and water-works.

5. Trading capital, stocks of goods, ships, etc.

6. Investments in public stocks, insurance, gas, etc.

All these are objects which demand a share of the surplus earnings. In some cases speculation has been known to run high, as in land thirty years since, more than all the surplus earnings being paid or promised for lots at high prices, and a frightful revulsion followed. In New England the railway mania, at one time, absorbed more than all the savings, and disaster resulted. At any time when the investments exceed the earnings, disaster arises. On the other hand, capital becomes abundant if good crops or other circumstances cause the earnings to range ahead of the investments.

Now, it is very evident that nearly all the savings of a year are invested by the close of the year.

Whatever shape the investments may take, whether buying land or building houses, or creating banks or railroads, or increasing the stock of goods, or any other species of property, the property exists either in the shape of real or personal estate, and continues so to exist year after year. Hence, if we take account of stock at any time, we find a certain result, which represents all the accumulation of the annual savings, and all that has been brought into the country since its first settlement. Now, if we compare two such statements taken several years apart, the difference will be the amount saved during those years if the valuation is made on the same principle.* Turning, then, to the census in illustration, we find that the *assessed* valuation was as follows, for 1850 and 1860:—

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* The estimate of the yearly savings of the *Northern* States from 1850 to 1860 was given, in the October number, at $60,000,000. This result was reached by taking the census estimate of the personal property of those States in 1860, and considering that it had all been saved during the last sixty years, forty millions a year from 1800 to 1850, and sixty millions a year from 1850 to 1860, the last ten years. Real estate was left out of the question for reasons then stated. Of course, we did not claim that the result was an accurate one. Our purpose was to show the foolishness

	REAL.	PERSONAL.	TOTAL.
1850.....	$3,980,121,340	$2,029,050,213	$6,009,171,557
1860.....	6,973,106,049	5,111,553,956	12,084,660,005
Increase.....	$2,992,984,709	$3,082,503,743	$6,075,488,452

According to these figures the value of the property increased in 10 years as much as it did in the previous 200 years, and the rate of increase for the whole Union was $607,000,000 per annum, including real estate; while, if we assume that the $6,009,171,553, assessed in 1850, had accumulated only since 1800 or in 50 years, the average increase per annum would be only $120,000,000. This valuation, however, includes real estate, which is to a great extent nominal. A large portion of the farms and was obtained by squatting and military bounties: a much larger proportion was purchased at $1.25 per acre. Its valuation has gone on to increase in proportion as settlements have become more dense, without there ever having been capital earned and applied to it. The assessed value of the lands represents a supposed capital; the real value is what it annually produces. If it is assessed at its actual cost, $1.25 per acre, or at its assumed value, $100. per acre, the real value, which is the profit the farmer gets from it after supporting his family, is not affected by the valuation; any amount of taxation which would affect the annual profits would proportionately diminish the value of the land, and finally stop the working of it. Hence, the value of real estate is only an approximate capitalisation of the annual profits. This does not apply to buildings, fences, drainage, and fixed improvements, which, like personal property, are actually a portion of what has been produced by industry and saved by investment in those items. The real estate in cities, where prices have advanced, year by year, under actual purchases at higher prices, and where buildings are being constantly erected in place of others taken down, more nearly represent an earned value and therefore forms a more accurate estimate of the amount of savings invested in real estate. Personal property is nearly all an accumulation of annual savings. Ships are built from the profits of commerce, and factories from the manufactures, and houses, although real estate, are built from the profits of all business, and these multiply at the rate of one for every family of five. For example, the census of the State of New York gives the number of buildings as follows:—

	NO.	VALUE.
Stone dwellings.....	7,536	49,184,819
Brick "	57,450	312,151,135
Framed "	397,638	297,453,492
Log "	33,092	1,330,168
Other "	22,240	4,739,398
Total.....	518,956	$664,859,012

of the popular fallacy that our resources are inexhaustible, believing such an idea will ruin us if longer indulged in and acted upon. In this and the articles we hope to give in subsequent numbers our estimates are for the whole country. They will show larger figures, but there is the same irresistible conclusion from those figures, and that is—that the most rigid economy is necessary to bring us safely through this struggle.

The number of families in the States was 693,242. The dwellings multiply in about the proportion of the families, and this demand for shelter forms a very heavy tax upon the annual savings apart from re-construction and repairs.

In considering the amount of personal property as an evidence of annual savings, many allowances must be made. For instance, the existing number of ships may be valued at $200,000,000, but probably within the last ten years half as much has been constructed, and lost or destroyed. The same remark, in a greater or less degree, applies to houses and factories. On the other hand, a good deal of property is duplicated. Thus, in New York State, there has accumulated in the savings banks a $100,000,000, due depositors. A part of this has been loaned on mortgages; another portion has been expended in building or other improvements; also $60,000,000 has been loaned on stocks, and has been spent by the borrowers. The same sum, therefore, exists as stocks, &c., and as debt to depositors. All corporate companies reduplicate debts in this manner, which shows as personal property twice over. There are many other considerations which prevent any accurate approximation to the real annual savings, by means of valuations of property. The property itself is no indication of the amount of taxes that can be paid annually. Thus the area of the Western States, admitted since the original Union, is 781,000,000 acres, with a valuation of $3,300,000,000; if that land ceases to yield an annual profit to the tillers, its value ceases, and will go back to the value it possessed when the Indians alone held it.

The question then returns—What is the income? Let us illustrate it by taking the results of English taxation. There the tax is laid upon the gross income of all persons. It was formerly limited to those over £150 per annum; it now embraces all over £100. The rate is 9*d.* in the pound, or 3¾ per cent. This is applied to gross income and not to savings only. The following table shows the amount of tax thus collected, and consequently the annual income under each head:—

AMOUNT OF INCOME.

	In £.	In $.
Lands, manors, etc.	55,005,120	275,025,600
House property	57,761,745	288,808,725
Mines and iron works	5,515,699	27,578,495
Railway, canal, gas, etc.	19,908,473	99,542,365
Farms	16,554,930	82,772,650
Trades, professions, etc.	87,555,625	437,777,125
Dividends, funds,	29,083,200	125,416,000
Public companies	6,134,256	30,671,280
Salaries, etc.	20,071,240	100,356,200
Quarries, fines, pensions, etc.	714,649	3,573,245
	298,304,937	1,471,521,685
Tax	11,048,148	55,240,740

Under the head of "lands, manors, etc.," figure the sum derived by owners of land from rent; under the head "farms" is the income derived from the land of the occupiers who pay rent. The total is the amount of gross income of the whole nation.

The tax of 3¾ per cent. gives $55,240,740. This, it will be remembered, is not all the tax paid from the income. The whole amount was

$350,000,000. Now, the mode adopted to approximate the annual savings out of this gross income of $1,445,521,685 is to take the amount of tax paid in several years and find the average income of capital that pays duty. Thus the annual increase of incomes for five years was found to be 5.7, which, computed at 20 years' purchase, gives a result of £114,000,000 sterling, per annum, savings. That is, this amount saved and invested, gives an annual income increased at the rate of 5.7 per annum. The annual savings of the British nation, with a population of 28,000,000, is then $570,000,000 per annum. It must be borne in mind that money is not earned alone in the British islands, but embraces the profits of British capital operations upon the industry of 200,000,000 British subjects in all parts of the world.

The population of the British possessions was at the last dates, 1861, as follows:—

British India	173,738,858
Australia and other colonies	9,484,595
Total	183,223,461
United Kingdom	28,915,109

The one hundred and eighty-three millions of souls in all parts of the world are producing wealth mostly by the stimulus of British capital, and that wealth finds its way to the imperial islands in increasing quantities year by year. From all quarters raw material produced through the agency of British capital is sent home, and there, together with the food and the industry of the manufacturers, is wrought up by the agency of steam-driven machines into goods, with a portion of which, for the most part, the millions of distant producers are paid for their labor. The streams of wealth from every quarter of the globe set with swelling volume toward the imperial islands. The capital which there accumulates is re-employed in extending the productive powers of fertile regions which pour forth material wealth in greater affluence. The amount of British capital employed in different parts of the world probably sends home a larger amount of annual interest than that paid upon her whole public debt. The foreign trade of 1863 showed results as follows:—

	1862.	1863.
Imports	$923,937,535	$1,019,131,615
Exports	619,961,320	732,448,840
Excess imports	$313,976,205	$286,682,775

Thus there returns to England an amount of wealth annually very much in excess of what she pays out. The figures do not include specie, which was as follows, in addition to the above:—

	1862.	1863.
Imports	$158,282,340	$150,153,970
Exports	146,630,955	131,220,200
Excess imports	$11,652,435	$18,933,770

The imports of specie are drawn from Australia, $30,000,000; Mexico, $50,000,000; United States, $40,000,000. The flow thither of these metals shows the current of exchange always in favor of England from

those countries where her capital operates. The 173,000,000 Indian subjects are year by year more industrious and more profitable to England. Mr. LAING, late Finance Minister to India, in a recent address, says:—

"I have seen myself savages of the wild aboriginal tribes of India working steadily under English inspectors on the railways, their women carrying the earth in baskets on their heads, with their noses, arms, and ankles covered with *silver rings*, in which they had invested wages which, to their previous experience, seemed like fabulous wealth."

The capital sent out from England to build those railways, precisely as it was sent to construct some of our Western works, returns to it with a high interest. The passion the Indians have for silver is the cause of that continued drain of the metal from Europe, where the vacuum it leaves is filled with the gold of California and Australia. The wealth drawn from Asia is immense; not only the immediate subjects of the Crown, but the 300,000,000 of Chinese, under the same influence, contribute their quota to the swelling profits of England. They are weaned from the apathetic indolence of the orientals, and broken into steady labor by tasting of its advantages. Doubtless the small reward, which seems large to them, produces important results to the capitalists of the distant islands. Mauritius has been filled with Coolies, imported from China, and gives England an annual value of $10,000,000, getting $2,500,000 in return. Among 500,000,000 of the human race, English agencies and influence are hourly adding to the number of producers of materials, who work the current of profits that annually finds its way to Britain.

The growing commerce of Great Britain employs an immense shipping. The trade with her own colonies gives England the following average results:—

Import from colonies	$350,000,000
Export to colonies	250,000,000
Excess imports	$100,000,000

These large profits rolling into the British islands indicate the success with which the labor and resources of 28,000,000 of people are applied to the development of the hitherto dormant wealth of populous, distant countries, and consequently how firm is the basis on which the English debt rests.

All these conditions of foreign commerce and colonial aids help to swell that annual income of the British people which, as we see, results in an annual saving of $570,000,000. It is true that the incomes below £100, are estimated to be equal to half the taxable incomes, but those small incomes seldom yield any savings, and they would not much alter the account.

In the United States production has been very large and income considerable, but expenditure has been more profuse. The ultimate savings in proportion to income are not so large as elsewhere. The amount of savings it will be easier to estimate after the new income tax shall have shown its results, for then it can be done in a manner similar to the above, showing the savings of the United Kingdom. If, however, we return to those figures already given of the personal valuation, we will find that for

the whole country, according to these figures, there was an average of $308,000,000 accumulated per annum during ten years of the most prosperous season, arising from the influence of gold discoveries upon prices of all kinds. In that period nearly $300,000,000 of capital was imported from abroad for railroad construction. 2,800,000 immigrants arrived, with more or less property, and located soil; and the one thousand millions or one hundred millions per annum was invested in railroad construction. We shall continue the examination of the subject further in our next number.

COMMERCIAL LAW.—NO. 16.

INTEREST AND USURY.

WHAT INTEREST IS, AND WHEN IT IS DUE.

Interest means a payment of money for the use of money. In most civilized countries the law regulates this; that is, it declares how much money may be paid or received for the use of money; and this is called legal interest; and if more is paid or agreed to be paid than is thus allowed, it is called usurious interest. By interest is commonly meant legal interest; and by usury, usurious interest.

Interest may be due, and may be demanded by a creditor, on either of two grounds. One, a bargain to that effect; the other, by way of damages for withholding money that is due. Indeed, it may be considered as now the settled rule, that wherever money is withheld which is certainly due, the debtor is to be regarded as having promised legal interest for the delay. And upon this implication, as on most others, the usage of trade, and the customary course of dealings between the parties, would have great influence.

Thus, in New York, A sued B for the transportation of a quantity of flour from Rochester to New York, and claimed interest upon the same. He offered to prove that it was the uniform custom of all those engaged in the same business to charge interest upon their accounts; and that the defendant knew this. This evidence having been rejected in the court below, it was held by the Supreme Court, on appeal, that, such usage being proved, the plaintiff was entitled to interest, and that the evidence should have been received. And in another case in that State, where it was known to one party that it was the uniform custom of the other to charge interest upon articles sold or manufactured by him after a certain time, the latter was allowed to charge interest accordingly.

In general, we may say that interest is allowed by law as follows: On a debt due by judgment of court, it is allowed from the rendition of judgment; and on an account that has been liquidated, or settled, from the day of the liquidation; for goods sold, from the time of the sale, if there be no credit, and if there be, then from the day when the credit expires; for rent, from the time that it is due, and this even if the rent is payable

otherwise than in money, but is not so paid; for money paid for another or lent to another, from the payment or loan.

In New York it was held, in an action on a contract to recover damages for the non-delivery of merchandise, that the plaintiff was entitled to recover the difference between the contract price and the market value of the article at the time and place specified for its delivery, with interest thereon; and that it was not within the discretion of the jury to allow interest or not; the plaintiff being legally entitled to interest.

Interest is not generally recoverable upon claims for unliquidated damages, nor in actions founded on tort. By *unliquidated damages* is meant damages not agreed on, and of an uncertain amount, and which the jury must determine. By *torts* is meant wrongs, or injuries inflicted. But although interest cannot be given under that name, in actions of this sort, juries are sometimes at liberty to consider it in estimating the damages.

It sometimes happens that money is due, but not now payable; and then the interest does not begin until the money is payable. As if a note be on demand, the money is always due, but it is not payable until demand; and therefore is not on interest until demand. But a note payable at a certain time, or after a certain period, carries interest from that time, whether it be demanded or not.

MONEY.

The laws which regulate interest and prohibit usury are very various, and are not perhaps precisely the same in any two of our States. Formerly, usury was looked upon as so great an offence, that the whole debt was forfeited thereby. The law now, however, is—generally, at least—much more lenient. The theory that money is like any merchandise, worth what it will bring and no more, and that its value should be left to fix itself in a free market, is certainly gaining ground. In many States there are frequent efforts so to change the statutes of usury that parties may make any bargain for the use of money which suits them; but when they make no bargain, the law shall say what is legal interest. And, generally, the forfeiture is now much less than the whole debt.

In Maine, the excess above the legal rate of interest, six per cent, is not recoverable, and, if paid, may be recovered back at any time within a year. In New Hampshire, the legal rate of interest being six per cent, the party taking the usury is subjected to a penalty of three times the amount of the usury taken, to be deducted from the debt. In Vermont, lawful interest only (six per cent) is recoverable, and a party paying more than legal interest may recover it back. Seven per cent, however, may be charged upon railway bonds. In Massachusetts, a party receiving more than legal interest, six per cent, forfeits three times the amount of the unlawful interest taken. And where a party has paid more than legal interest, he may recover of the person receiving it three times the amount of the unlawful interest paid. In Rhode Island, upon an usurious contract, legal interest only is recoverable; and where more than legal interest (six per cent) has been paid, it may be recovered back. In Connecticut, upon usurious contracts, the legal rate of interest being six per cent, the whole interest is forfeited. In New York, all usurious contracts are void, and where more than the legal rate of interest, seven per cent, has been paid, it may be recovered back. In New Jersey, the legal rate of interest

being six per cent, usury avoids the whole contract. However, in the township of Hoboken and in Jersey City, seven per cent may be charged. In Pennsylvania, the party taking the usury forfeits the amount of the money or other thing lent, one-half to the State, the other to the party suing for the same. The legal rate of interest is six per cent. It has been decided under this act, that the contract itself is not void; and a party is entitled to recover the sum actually lent, together with lawful interest; otherwise, the State might be deprived of its share of the penalty by the borrower's refusing to enforce the statute. In Delaware, the party taking the usury forfeits the amount of the whole debt, one-half to the State, the other to the informer. The legal rate is six per cent.

In Maryland, the excess paid above the legal rate of interest, six per cent, is recoverable back. In Virginia, the party taking more than the legal rate of interest, six per cent, forfeits the whole debt. In North Carolina the taking of unlawful interest renders the whole contract void. The legal rate is six per cent. In South Carolina, the party taking the usury forfeits the whole interest. The legal rate is six per cent. In Georgia, where the legal rate of interest is seven per cent. by the taking of usury the party forfeits the whole interest. In Alabama, the interest only is forfeited where usury is taken. The legal rate is eight per cent. In Arkansas, the legal rate is six per cent, and the taking of usury avoids the contract; but parties may agree in writing for ten per cent interest. In Florida, usury avoids the contract. The legal rate is six per cent.

In Illinois, in all actions brought upon usurious contracts, the defendant shall recover his costs, and the plaintiff shall forfeit three times the amount of the whole interest. And a party paying more than the legal rate of interest, six per cent, may recover of the party receiving the same three times the amount so paid. But banks may charge seven per cent, and individuals may make special contracts for ten per cent. In Indiana, the taking of usury causes a forfeiture of five times the amount of the whole interest. Six per cent is the legal rate. In Iowa, where the legal rate of interest is six per cent, the taking of usury forfeits the whole interest; but ten per cent is allowed on special contracts. In Kentucky, usury subjects the party to a forfeiture of the whole interest. The legal rate is six per cent. In Louisiana, the legal rate being five per cent, usury causes the forfeiture of the whole interest; but eight per cent may be agreed upon by the parties. In Michigan, seven per cent is the legal rate of interest. Ten per cent may be charged upon special contracts. There is no penalty for taking usury. In Mississippi, the legal rate is six per cent, and the receipt of usury forfeits the whole interest. Eight per cent, however, may be charged on special contracts. In Missouri, the legal rate is six per cent, and the receipt of usury forfeits the whole interest. In Ohio, where the legal rate is six per cent, the receipt of usury causes a forfeiture of the whole interest; but eight per cent is chargeable upon special contracts. In Tennessee, six per cent is the legal rate, and an excess avoids the whole interest. In Texas, the taking of usury avoids the whole interest. The legal rate is eight per cent, but on special contracts twelve per cent is chargeable. In Wisconsin, the legal rate is seven per cent, but special contracts may be made for twelve per cent. In California, the legal rate is ten per cent, and there is no penalty for taking usury.

There is no especial form or expression necessary to make a bargain

usurious. It is enough for this purpose if there be a substantial payment, or promise of payment, of more than the law allows, either for the use of money lent, or for the forbearance of money due and payable. One thing, however, is certain: there must be a usurious intention, or there is no usury. That is, if one miscalculates, and so receives a promise for more than legal interest, the error may be corrected, the excess waived, and the whole legal interest claimed. But if one makes a bargain for more than legal interest, believing that he has a right to make such a bargain, or that the law gives him all that he claims, this is a mistake of law, and does not save the party from the effect of usury.

Thus, in a case in Massachusetts, where the defendant agreed to pay the plaintiffs more than the legal rate of interest, but the excess was owing to the mode of computation adopted by the plaintiffs, and which was usual among banks, the court said: "It is probable that in this case there was no intentional deviation on the part of the bank; but a mistake of their right. An excess of interest was intentionally taken, upon a mistaken supposition that banks were privileged in this respect to a certain extent. This was, therefore, in the sense of the law, a corrupt agreement; for ignorance of the law will not excuse." It may be well to remark, that the law makes a very wide distinction between a *mistake of fact* and a *mistake of law.* Generally, it will not permit a party to be hurt by a mistake of fact; but it never suffers any one to excuse himself by a mistake of law, because it holds that everybody should know the law, and because it would be dangerous to permit ignorance of the law to operate for any one's benefit.

The question has been much discussed, whether the use of the common tables which are calculated on the supposition that a year consists of 360 days, is usurious. In New York it is held that it is. But in Massachusetts, and some other States, it is held that the use of such tables does not render the transaction usurious. We think this latter the better opinion.

It is also settled, that only the contract which is itself usurious can be affected by the usury. If by one contract, or by one completed transaction, as the payment of a debt for another, a party acquires a valid claim for a certain amount, and lawful interest, and then by a new contract, as a new note, for instance, the debtor agrees to pay him usurious interest, this new note, it has been held, will be affected by the usury, but the original claim will not be. So, if a borrower promises to pay a certain sum, and then more than interest as a penalty, if he does not pay the first sum, this is not usurious; first, because by paying the first sum he can escape the penalty; and secondly, because all penalties will be reduced by the court to the sum originally due and lawful interest.

So, if a debtor requests time, and promises to pay for the forbearance legal interest, and as much more as the creditor shall be obliged to pay for the same money, this is not a usurious contract. And even if usurious interest be actually taken, this, although strong evidence of an original usurious bargain and intent, is not conclusive, but may be rebutted by adequate proof or explanation.

When a statute provides that a usurious contract is wholly void, such a contract cannot become good afterwards; and therefore a note which is usurious, if it be therefore void by law in its inception, is not valid in the

hands of an innocent indorsee. But it is otherwise where the statute does not declare the contract void on account of the usury. If a note, or any securities for a usurious bargain, be delivered up by the creditor and cancelled, and the debtor thereupon promises to pay the original debt and lawful interest, this promise is valid.

New securities for old ones which are tainted with usury, are equally void with the old ones, or subject to the same defence. Not so, however, if the usurious part of the original securities be expunged, and not included in the new; or if the new ones are given to third parties, who were wholly innocent of the original usurious transaction. And if a debtor suffers his usurious debt to be sued, and a judgment recovered against him for the whole amount, it is then too late for him to take any advantage of the usury.

So, if lands or goods be mortgaged to secure a usurious debt, and afterwards conveyed to an innocent party, subject to such mortgage, the latter cannot set up the defence of usury and thereby defeat an action to enforce the mortgage. And if A owes B a usurious debt, against which A could make a complete or partial defence, but pays the debt, usury and all, by transferring to B a valid note or debt of C, then, when C is called upon to pay this debt to B, C cannot make the defence that A's debt to B was usurious; for the debt due from C is not affected by the usurious taint of the original debt from A to B.

Usurers resort to many devices to conceal their usury; and sometimes it is very difficult for the law to reach and punish this offence. A common method is for the lender of money to sell some chattel, or a parcel of goods, at a high price, the lender paying this price in part as a premium for the loan. In England it would seem from the reports to be quite common for one who discounts a note, to do this nominally at legal rates, but to furnish a part of the amount in goods at a very high valuation. In all cases of this kind, or rather in all cases where questions of this kind arise, the court endeavors to ascertain the real character of the transaction. Such a transaction is always suspicious, for the obvious reason that one who wants to borrow money is not very likely to desire at the same time to buy goods at a high price. But the jury decide all questions of this kind; and it is their duty to judge of the actual intention of the parties, from all the evidence offered. If that intention is substantially that one should loan his money to another, who shall therefor, in any manner whatever, pay to the lender more than legal interest, it is a case of usury. "Where the real truth is a loan of money," said Lord Mansfield, "the wit of man cannot find a shift to take it out of the statute." If this great judge meant only that, whenever legal evidence shows the transaction to be a usurious loan, the law pays no respect whatever to any pretence or disguise, this is certainly true. But the wit of man does undoubtedly contrive some "shifts," which the law cannot detect. There seems to be a general rule in these cases in reference to the burden of proof; the borrower must first show that he took the goods on compulsion; and then it is for the lender to prove that no more than their actual value was received or charged for them.

If one should borrow stock at a valuation much above the market rate, and agree to pay interest on this value for the use of the stock to sell or pledge, this would be usurious. Whether it would be sufficient to dis-

charge this character of usury, for the lender to show that the dividends on the stock actually were, and were expected to be, as high as the interest on the valuation, so that he makes no gain by the transaction, is not certain.

So, one may lend his stock, and may, without usury, give the borrower the option to replace the stock, or to pay for it at even a high value, with interest. But if he reserves this option to himself, the bargain is usurious, because it gives the lender the right to claim more than legal interest. So, the lender may reserve either the dividends or the interest, if he elects at the time of the loan; but he cannot reserve the right of electing at a future time, when he shall know what the dividends are.

A contract may seem to be two, and yet be but one, if the seeming two are but parts of a whole. Thus, if A borrows one thousand dollars, and gives a note promising to pay legal interest for it, and then gives another note for (or otherwise promises to pay) a further sum, in fact for no consideration but the loan, this is all one transaction, and it constitutes a usurious contract.

But if there be a loan on legal terms, with no promise or obligation on the part of the borrower to pay any more, this might not be invalidated by a mere understanding that the borrower should, when the money was paid by him, make a present to the lender for the accommodation. And if, after a payment has been made, which discharged all legal obligation, the payer voluntarily adds a gift, this would not be usurious. But in every such case the question for a jury is, what was this additional transfer of money, in fact; was it a voluntary gift, or was it the payment of a debt?

A foreign contract, valid and lawful where made, may be enforced in a State in which such a contract, if made there, would be usurious. But if usurious where it was made, and, by reason of that usury, wholly void in that State, if it is put in suit in another State where the penalty for usury is less, it cannot be enforced under this mitigated penalty, but it is wholly void there also.

(To be continued.)

BRITISH COMMERCE, NAVIGATION AND FINANCE, BEFORE AND SINCE THE ADOPTION OF FREE TRADE AND THE REPEAL OF THE NAVIGATION LAWS.

We are indebted to E. M. Archibald, Esq., H. B. M. consul, of New York, for the following statements, intended to exhibit the progress of British commerce, navigation, and revenue during recent years, and to illustrate the results of the adoption by Great Britain of a system of commercial freedom and the repeal of the navigation laws.

Whilst the increase of productive power and other causes have without doubt materially operated in effecting the vast development indicated, these resources must have remained in a great degree unprofitable had the former restrictions on British trade and navigation been still maintained.

The *official* value of British and foreign and colonial exports and imports *combined* were as follows in the years 1842, 1853, and 1863 respectively:—

1842	£179,095,088
1853	365,171,537
1863	485,027,040

Of these amounts the *official* values of the *imports* were:—

1842	£65,253,286
1853	123,099,313
1863	171,913,852

During the same years the corresponding values of the exports of British and Irish and foreign and colonial merchandise were:—

1842	£113,841,802
1853	242,072,224
1863	313,113,188

Of these amounts the official value of the proportion of exports of British and Irish manufactures, etc., was:—

1842	£100,255,380
1853	214,327,452
1863	258,198,551

The *real* value of British imports can only be ascertained since the year 1854. In that year they amounted to £152,389,053, whilst in 1863 they had increased to £248,980,942.

The *real* values of the exports from the United Kingdom in the years 1854 and 1863 were:—

1854	£115,821,092
1863	196,902,409

The real values of these exports cannot be given previously to 1854, as such values of foreign and colonial merchandise were not ascertained until that year.

The *real* value of *exports* of British and Irish manufactures during the years 1842, 1853, and 1863 respectively was:—

1842	£47,381,023
1853	98,933,781
1863	146,489,768

The immense development of this branch of our commerce during recent years will be more readily appreciated when it is remembered that the figures for the year 1842 are but little in excess of the average value of our exports during the thirty preceding years.

In the years 1854 and 1863 the *real* values of our exports of foreign and colonial merchandise were:—

1854	£18,636,366
1863	49,485,005

The quantities of the various principal articles of food below mentioned, and now admitted duty free, were as follows for the three periods:—

	1842.	1853.	1863.
Horned cattle.....No. }	prohibited	125,253	150,898
Sheep..... " }		259,420	430,788
Bacon and hams.....Cwts.	8,355	205,667	1,877,813
Butter..... "	175,197	403,289	986,708
Eggs.....No.	89,548,747	123,450,678	266,929,680
Rice.....Cwts.	511,414	1,504,629	3,070,292

The quantities *retained for consumption* of the following articles, which are still subject to custom duties, were:—

	1842.	1853.	1863.
Cocoa.....Lbs.	2,246,569	3,997,198	3,712,287
Coffee..... "	28,519,646	36,983,122	32,762,995
Sugar, raw.....Cwt.	3,868,437	7,272,833	9,202,524
Tea.....Lbs.	37,355,911	58,834,087	85,183,283
Tobacco, unmanufactured... "	22,013,146	29,348,568	36,751,173
Wine.....Galls.	*4,815,222	6,813,880	10,422,105

The *declared* or *real* values of the more important articles of British manufacture exported during the same years are as follows:—

	1842.	1853.	1863.
Apparel, haberdashery, and millinery...	£1,143,270	£6,923,190	£7,169,975
Cotton yarn.....	7,771,464	6,895,653	8,019,954
" goods.....	18,907,884	25,817,249	39,424,010
Earthenware and porcelain.....	555,430	1,338,370	1,334,275
Hardware and cutlery.....	1,898,467	3,665,051	3,826,784
Leather and leather wares.....	400,927	1,578,595	2,319,763
Linen yarns.....	1,025,551	1,154,977	2,535,728
" manufactures.....	2,346,749	4,758,432	6,509,970
Machinery.....	554,653	1,985,536	4,365,023
Iron and steel.....	2,457,717	10,845,422	13,111,477
Tin plates.....	663,685	1,181,069	1,311,350
Silk, thrown and manufactured.....	590,189	2,044,361	2,229,591
Woolen yarn.....	637,305	1,456,786	5,065,432
" manufactures.....	5,185,045	10,172,182	15,518,842

Notwithstanding the great increase here indicated with regard to British imports and exports, it must be borne in mind that few countries have yet comprehensively adopted a liberal commercial policy, and that, consequently, the measures in that direction which have already been for some years fully applied by Great Britain cannot be said to enjoy the conditions necessary to the complete development of the system.

The tonnage of British and foreign vessels which entered and cleared in the United Kingdom *with cargoes*, in the years 1842, 1853, and 1863, respectively, was:—

	1842. Tons.	1853. Tons.	1863. Tons.
British.....	5,415,821	9,064,705	15,263,047
Foreign.....	1,930,983	6,316,456	7,762,116
Total.....	7,346,804	15,381,161	23,025,163

* The importation of wine in 1842 was unusually small, the average importation from 1840 to 1848 having been nearly 6,500,000 gallons.

The coasting tonnage of the United Kingdom has likewise increased greatly, notwithstanding the severe competition of the inland railway carrying trade, as is shown by the accompanying figures of the tonnage of British and foreign vessels engaged *with cargoes* in the coasting trade of the United Kingdom:—

	1842. Tons.	1853. Tons.	1863. Tons.
British	10,785,450	12,820,745	17,465,635
Foreign	None	None	81,897
Total	10,785,450	12,820,745	17,547,532

The tonnage of vessels built and registered in the United Kingdom in the years 1842, 1853, and 1862 was:—

	1842. Tons.	1853. Tons.	1862. Tons.
Sailing-vessels	116,213	154,956	164,061
Steam-vessels	13,716	48,215	77,338
Total	129,929	203,171	241,399

In addition to the above, the following amount of foreign tonnage was registered in the United Kingdom:—

1842. Tons.	1853. Tons.	1862. Tons.
None	30,078	74,629

The total registered tonnage of the United Kingdom (exclusive of the Channel Islands and Isle of Man) was in the same years:—

1842	Tons 2,990,849
1853	" 3,969,158
1862	" 4,860,191

The revenue produced by the customs has been well sustained, notwithstanding the great reductions effected in our tariff since 1842. In that year almost every article imported was liable to a customs duty, and the list of tariff denominations amounted to many hundreds, whilst at present about twelve leading articles alone are taxed on importation.

The gross customs' revenue amounted in the following years to:—

1842	£22,771,315
1853	22,506,443
1863-64	23,232,000

During the same interval the excess of reduction of customs' duties above the amount imposed was:—

1843-53	£10,166,749
1854-63	4,458,166

Thus during the whole interval the customs' duties have been reduced by £14,624,915, whilst the revenue produced, instead of being diminished, exhibits an annual increase of £460,685.

The gross amount of the duties of excise in the years 1842, 1853, and 1863 were:—

1842	£14,616,083
1853	16,303,237
1863–64	18,207,000

The relative additions and diminutions during the same periods were—

1842–53	£2,486,000 Reduced.
1854–63	1,226,000 Imposed.
Excess of excise duty repealed	£1,260,000

During the whole period, therefore, the actual increase of the excise revenue was £3,590,917, or upwards of 24½ per cent.

The total net receipts of revenue of the United Kingdom duriug the three years were as follows:—

1842	£52,763,147
1853	58,962,513
1863–64	70,721,892

The gross revenue had, therefore, increased during the aggregate period from 1842 to 1863–64, £17,958,745, or 34 per cent., and that this increase was not due to augmented taxation is made evident by the following statement:—

Excess of amount of taxation repealed over the amount imposed during the periods 1842–53 and 1854–63:—

1842–53	£7,175,986
1854–63	4,407,966
Excess of diminution	£11,583,952

or upwards of 20 per cent. of the taxes existing in 1842.

The expenditure of Great Britain, which amounted in 1842 to £55,223,874, was in 1853 £55,769,252, and in 1863–64 £67,856,286.

In 1842 the amounts of the unredeemed funded and of the unfunded debt were respectively:—

Funded	£773,068,340
Unfunded	18,182,100
Total	£791,250,440
In 1853—	
Funded	£761,622,704
Unfunded	17,742,500
Total	£779,365,204
In 1863—	
Funded	£777,429,224
Unfunded	13,136,000
Total	£790,565,224

In consequence of the actual or approaching termination of various annuities the amount of the debt has been considerably lessened. The estimated capital value of these annuities has not been computed previously to 1855. Since that date, however, they stand as follows:—

1854–55	£26,763,244
1862–63	17,757,183
Difference	£9,006,061

The whole amount of the debt stands at present, therefore, almost the same as in 1853, whilst the actual funded and unfunded debt is now less than it was in 1842.

COMMERCIAL CHRONICLE AND REVIEW.

EFFECT OF ELECTION—WANTS OF TREASURY—EXPENSES OF GOVERNMENT—GOLD STOCK—PRICES GOVERNMENT STOCK—CIRCULATION INCREASING—CONSUMPTION OF FOREIGN GOODS AND INCREASED COST OF SAME—SPECIE AND PRICE OF GOLD—SPECIE IN THE CITY—DUTIES DECREASED—GOLD HELD BY BANKS DECREASED—EXPORTS OF SPECIE—RATES OF EXCHANGE.

THE general elections, which took place the 8th of this month, under circumstances of extraordinary interest, has to some extent interfered with the course of business. The supposition that the event of the election might work a change in the management of the war checked all disposition to do business and induced most persons to put off enterprises that would otherwise have been prosecuted. Some imagined that more definite steps towards peace would, after election, be taken, and, for this reason, an appreciation of the government money would manifest itself in a fall of gold and prices; consequently, buyers refrained from acting and holders from selling. Gold did indeed fall heavily from 256 to 210, and as rapidly rose to 260 on the day preceding the election, but again fell off under various influences at work. These fluctuations in gold continued to check business, and the uncertainty as to the future operations of the Treasury had a depressing effect.

The amount of money to be raised is very large, and the mode of doing it will have a great influence upon the course of business. There seems to be three general modes of proceeding. One is to tax for a large proportion of the required sum; another is, to raise a large proportion by issues of gold stock; another, by issuing paper and stock with interest payable in paper. It is obvious that, ultimately, if specie payments are ever resumed, all the interest on the public debt must be paid in gold, hence, paper interest and paper issues are a costly expedient which will make the ultimate burden greater by uselessly swelling the amount. The past year, the expenses of the government were as follows:—

Borrowed		$758,121,000
Duties (Gold)	$99,181,201	149,781,000
Internal taxes		100,231,000
Total		$1,008,133,000

The internal taxes now yield nearly $200,000,000, but the customs have greatly declined. The taxes cannot be greatly increased by legislation now, so as to be available this year. There is, therefore, a certainty that a large amount must be borrowed. The most economical way is to borrow the whole on a gold stock, at the market value, and require all prices to adjust themselves to that standard. This would, of course, have a very depressing effect on all business, and is not a course likely to be popular. Nevertheless, it appears to be the only safe course for the administration to pursue. On the 1st December the Treasury sold $25,000,000 of 5-20 gold interest stock at 105 privately. The market price being 106¼.

The impression which gained ground, to the effect that no more gold stocks would be issued, imparted greater firmness to the government stocks, which were quoted as follows :—

PRICES UNITED STATES PAPER.

	—6's, 1881.— Reg.	Coup.	5's, 1874.	7 3-10, 3 years.	1 year certif. Old.	New.	Gold.
January 2..	104⅝	105¼	96	106¼	101¼	97⅝	151¼ a 151⅝
" 9..	104⅝	105¼	96	106¼	102	97⅝	152 a 152¼
" 16..	104	105¼	96	106¼	102¼	97⅜	155 a 155¼
" 23..	106	107	97	107	103	97	156 a 158
" 30..	106⅜	106	100	107¼	102⅝	97⅝	156¼ a 156⅝
February 6..	107⅛	107⅛	100	108	102⅝	98⅜	159⅜ a 159⅝
" 13..	109⅛	109⅛	100	109¼	103	98⅜	159¼ a 159¼
" 20..	111¼	110	100	111	103	99¼	159⅝ a 161
" 27..	111¼	110¼	100	111	103	99¼	159⅜ a 161
March 5..	111½	111	100	111	103½	99⅜	161¼ a 161½
" 12..	112	112	100	110¼	103	99⅜	162¼ a 162⅜
" 19..	112	112¼	100	110¼	103	99¼	162 a 162¼
" 26..	112	112¼	100	111¼	103	99¼	169⅜ a 179
April 2..	111	110	100	111	...	99¼	166⅜ a 167⅜
" 9..	112	112	102	111¼	...	99½	169¼ a 170
" 16..	107½	112½	102	112	...	99	173 a 189
" 23..	105½	108	109	109	...	97	174⅜ a 179
" 30..	114	114	102	111	...	98½	179½ a 179⅝
May 7..	113	113	102	109½	...	98½	173⅜ a 178⅜
" 14..	114	114½	102	111	...	98½	172½ a 172½
" 21..	114	114	102	111	...	98½	183 a 183½
" 28..	114	114	102	111	...	98½	186 a 186½
June 4..	109	113½	102	109⅜	...	98	190⅜ a 191
" 11..	108	113	102	108½	...	97½	198½ a 198⅝
" 18..	107	112	102	107	...	97	195½ a 196
" 25..	104½	112	102	106½	...	96½	212 a 216
July 2..	104½	111	102	105½	...	94	235 a 240
" 9..	104	104	102	105	...	94	266½ a 267
" 16..	102⅜	102⅜	102	103½	...	94½	244 a 285
" 23..	102½	102½	102	103½	...	92½	250 a 268
" 30..	107	107	98	107⅜	...	95½	251 a 251½
Aug. 6..	106½	105½	99	107½	...	94½	260 a 260½
" 13..	106⅜	107	100	108	...	95	256½ a 256
" 20..	108½	108½	100	110	...	94⅜	257½ a 257½
" 27..	109⅜	109⅜	100	111½	...	95	254 a 255

Sept.	3..	107	107	100	111	...	93⅝	254 a 254½
"	10..	107	108½	100	111	...	93½	234 a 233
"	17..	108	108½	100	110⅞	...	93½	222½ a 222⅝
"	24..	108	107½	100	110⅝	...	94½	212½ a 212½
Oct.	1..	106	106½	103	110⅝	...	94⅝	194½ a 194⅝
"	8..	105½	105½	100	105½	...	94½	200½ a 200⅝
"	15..	106	105⅝	100	105	...	94⅝	213½ a 214
"	22..	106	106½	100	105	...	94⅝	209⅝ a 210
"	29..	106½	105⅞	100	108	...	95	216½ a 216⅝
Nov.	5..	107½	106⅝	100	106⅝	...	95½	239½ a 240
"	12..	107½	107⅝	100	108	...	95⅝	244 a 245
"	19..	110½	110½	100	118	...	96⅝	216½ a 217

The rise in the 7.30 grew out of the claim of the holders that the notes were receivable, under the law, for customs, and suit was brought in the United States courts to test that right. Should it be decided in favor of the holders, the notes would be worth 220. The change caused the rise to 124 at one time.

Money has become exceedingly plenty during the month. The sums paid out to the army return in the way of trade, swelling the deposits in the banks, but there was little business demand for it. The amount of greenbacks now out is about $450,000,000. The National bank notes have increased their circulation to $64,000,000, and progress at the rate of $2,000.000 per week, as is noticed under the banking head. The tendency is now to fill up rapidly the $300,000,000 of bank capital authorized by the existing law. These notes issued by the National banks are redeemable in the "greenbacks," which are at present of a value of 40 cents per dollar in specie. As the emission of National notes goes on, the whole circulation of bank notes and greenbacks will approach the fixed amount of $700,000,000 of paper currency. There are also outstanding $61,000,000 of 5 per cent. legal tender, on which the coupons are paid December 1, and, being cut off the notes, become currency and will be used as such until the interest again accumulates, causing them to be hoarded. There are also $150,000,000 of notes, legal tender for the face, with interest compounded every six months for three years. This mass of currency approaches $1,000,000,000, and, if paper stocks are issued, must be increased to float them.

Consumption of foreign goods has been stopped in great measure by the rise in price. What in the aggregate is the extent of this rise may be seen from the following estimate.

The customs receipts for the whole Union in the past year were, quarterly, as follows:

Quarter to	Revenue.	Currency value.	Average price of gold.
September 30.....	$22,562,018	$30,082,690	130
December 31.....	28,411,521	35,117,281	150
March 31.....	27,439,654	43,903,446	160
June 30.....	25,681,207	44,942,113	180
Total.....	$99,994,400	$153,945,530	155

This currency value is according to the average price of gold each week in New York, when the duties were paid. Inasmuch as the currency value of the duties is added to the cost of the goods imported, that value represents what the consumers of goods pay. The whole amount of dutiable goods imported in 1864

was $260,381,101, and the average value of gold, as above, being 155, the exchange was 170. The actual cost of the goods was then as follows:

Prime cost	$260,381,101
Freight, etc.	26,038,110
	$286,419,211
Exchange 60 premium	161,051,526
Duties collected in currency	159,945,530
Total cost imports in currency	$601,416,267

Thus the amount of money paid by consumers, exclusive of the profits of importers, jobbers, and retailers, internal transportation, insurance, etc., was $601,000,000 for a prime cost of $260,000,000, or 154 per cent average advance for the whole year; but the rate was much heavier in the last quarter than in the first. If we take the quantity of goods that paid duties in October and in June, and the amount of duties collected, the results are as follows:

	Goods paid duty.	Duties.	Per cent.
October	$16,744,081	$6,238,943	37
June	8,058,899	3,311,148	42

Thus doubling the duties in the spring only raised the average collected 5 per cent. A very large proportion of the goods that arrived in June, however, went into bond, as in April a very large quantity was taken out of bond to avoid the then expected duties. The currency rate of gold increased the cost paid by consumers, as follows:

	October.		June.
Price gold	147		200
Cost	$1,000,000		$1,000,000
Gold duties	$370,000	$420,000	.....
Currency duties	543,900		840,000
Exchange premium	470,000		1,000,000
Total	$2,013,900		$2,840,000

Thus the rise of 53 per cent in gold operated a rise of 83 per cent in the cost of goods; of this 5 per cent only was actual advance in the tax by the Government. It is manifest that so heavy an advance in the cost of goods must have produced a serious check in their consumption, and this has manifested itself in the decline of business for the autumn season.

The slackness of business, which caused a diminished demand for gold for duties, also checked the demand for remittances abroad, and the movement was limited up to the approach of November, when the amount due abroad for interest on 5-20's fell due. The shipments then increased. The whole movement was as follows:

SPECIE AND PRICE OF GOLD.

	1863.		1864.			
	Received.	Exported.	Received.	Exported.	Gold in bank.	Prem. on gold
Jan. 2	.....	681,448	254,289	590,262	25,161,935	51¼ a 52
9	1,277,788	726,746	.....	1,216,204	25,122,002	51½ a 52
16	.....	1,380,247	279,801	1,985,057	24,884,264	52½ a 56½
23	678,841	780,817	365,608	1,000,000	24,631,204	56 a 58
30	.....	1,331,027	324,864	668,747	24,203,682	56½ a ...

Feb. 6	301,860	1,277,000	.....	662,616	24,070,191	49½ a ...
13	359,987	1,152,846	363,198	1,219,808	23 521,453	95 a ...
20	.....	520,017	.....	325,632	22,523,918	59 a ...
27	285,394	1,377,016	407,057	531,700	22,301,687	165 a 61
March 5	1,243,551	733,643	512,358	629,803	21,220,653	61½ a 66½
12	.....	3,540,550	.....	465,920	20,750,495	62 a 62
19	249,514	1,201,907	281,804	83,881	21,059,512	62 a 70
26	159,105	1,050,156	375,101	273,900	20,425,504	69½ a 68½
Apr. 2	250,778	473,385	273,429	168,912	19,527,665	68½ a 71½
9	.....	607,059	302,344	345,471	20,924,287	67 a 29
16	217,602	158,437	269,522	1,002,384	21,687,670	71 a 89
23	256,604	629,855	.....	3,226,000	24,868,203	72½ a 79
30		294,998	282,876	1,271,836	24,087,343	77 a 85
May 7	205,057	451,827	282,276	1,174,241	23,082,028	71 a 81
14		661,996		2,452,668	22,635,155	61½ a 76½
12	258,570	438,745	383,428	1,884,195	22,091,691	73 a 85
28	.....	279,994	.....	580,820	21,973,180	87½ a 92½
June 4	318,066	411,488	271,801	1,425,588	22,461,604	87 a 90½
11	.....	235,364	.....	1,543,600	24,041,704	92 a 99½
18	.....	522,147	291,208	1,886,663	22,916,291	94 a 98½
25	187,082	134,432	281,011	1,296,356	22,000,898	99 a 130
July 2	.....	347,807	.....	560,677	21,206,685	115 a 180
9	254,947	401,936	301,207	486,339	20,084,917	122 a 176½
16	.....	2,190,781	.....	301,244	21,234,354	144 a 185
23	.....	1,725,748	249,095	556,464	21,033,912	150½ a 168½
30 ...	270,182	480,374	284,301	404,312	21,051,896	144 a 159
Aug. 6	.....	550,044	.....	90,111	21,159,518	155 a 161½
13	313,612	1,210,220	.....	341,883	21,080,309	152 a 159½
20	.....	238,398	571,281	48,009	20,794,268	155 a 158
27	231,854	1,379,710	.....	206,398	19,952,949	145 a 157
Sept. 3 . ..	.....	309,799	387,281	444,503	20,136,547	131 a 153
10	279,043	852,752	.....	486,451	20,603,881	125 a 143
17	193,548	535,796	369,592	669,733	20,065,180	114 a 130
24	277,380	1,411,611	.....	1,288,559	20,065,180	100 a 126
Oct. 1	.....	803,583	281,481	603,604	19,671,131	85 a 105
" 8	268,282	2,555,656	275,131	237,758	20,066,557	89 a 103
" 15 ...	.....	1,206,950	191,781	239,491	20,522,032	99 a 108
" 22	267,911	1,243,273	.....	616,456	21,010,360	110 a 115
" 29	.....	585,302	279,121	932,648	21,078,307	109½ a 120½
Nov. 5	547,338	646,017	381,310	2,296,630	21,740,327	121½ a 146
" 12	281,840	395,796	489,632	1,224,280	22,491,122	238 a 260
" 19	261,730	1,006,907	.....	1,545,165	21,438,959	209½ a 225
Total.....	10,445,923	$58,879,548	10,963,530	42,499,017		

The Treasurer gave notice in August that the interest on the November coupons would be advanced on application. Few, however, availed themselves of this offer. Those holding these bonds for investment, and using the interest for expenses, did not draw the gold until it was quite due, because it was safer in the Treasury than elsewhere, while others holding the bonds to sell would not draw the interest because the bond without the coupon was not saleable. Hence the amounts drawn before due were not large.

The amount of specie in the city has been reported for four months as follows:

	Banks.	Treasury.	Total.
July 1	$21,206,685	$9,850,865	$31,051,550
August 1.....	21,051,896	10,846,154	31,898,050
September 1.....	20,036,547	13,171,453	33,207,000
October 1	19,671,131	10,373,483	31,044,614
November 1.....	21,078,307	12,877,560	33,955,867

This gives the amount of gold in the Treasury at the first of each month. Now if we take the amount received from customs in each month, and the amounts paid for interest, we shall have results as follows:

	Customs.	Interest paid.	Kind of stock.
June	$3,348,010	$3,754,659—	6s '81
July	3,641,300	1,790,600—	7.30
August	6,272,002	1,800,136—	10-40
September	4,113,210	2,355,476—	7.30
October	3,697,335	15,322,707—	5-20
Total	$21,071,857	$25,023,568	

Thus the interest paid was more than the customs receipts of this port, and probably about equals the receipts at all the ports. But the receipts are now declining. Those for November give about $3,478,561 for the month, or $6,000,000 for the two months. The payments will be, for interest $9,360,000, and for principal of the Texan loan, $2,062.000, making $11,422,000, or thus for six months:

Payment of interest, June to January		$34,383.563
Payment principal		2,062,000
Total payments		$36,445,563
New York customs	$27,071,857	
Other ports	5,500,000	
		$31,571,857
Deficit		$3,873,711

From this it will be seen that if more gold bonds are issued, the Treasury will probably be required to buy gold, and there is therefore objection in some quarters to the further issue of such bonds. But when we remember the other alternative, we think no one can hesitate as to which course should be pursued. The question is reduced simply this—whether the Treasury shall buy gold or shall issue more paper? Which will increase the price, or more properly depreciate the currency most? We think there can be no doubt on this point.

The course of paper is just now manifesting itself in the working of the national banking law, so that while the customs receipts are declining, the reservoirs of specie are being reduced. Those banks which are making arrangements to merge their business under the National Bank Law, with a view to escape the State laws in relation to local taxation and the ultimate payment of their notes in specie, were steadily selling their specie. On the 20th of October, the Philadelphia banks concluded to go under the national law. Those of Boston have, many of them, arrived at the same conclusion. The weekly returns show the following results of specie in bank:

	Boston.	Philadelphia.	Total.	Price gold.
October 17	$6,861,581	$3,940,341	$10,801,922	222
October 25	5,307,481	3,663,670	8,971,151	225
October 31	5,225,591	3,496,143	8,721,734	246
November 7	4,967,781	3,058,994	8,026,775	260
November 14	4,787,182	2,743,641	7,530,823	220
November 21	4,429,700	2,674,037	7,103,037	210
Decrease	$1,931,881	$1,266,304	$3,198,885	

Thus those banks have sold 31 per cent of their specie in five weeks since they determined to go into the national system, which dispenses with specie altogether. The exports of specie out of the country in excess of all receipts has been for the same time as follows:

	Shipped.	Price. Lowest.	Highest.
October 20	$616,456	$196 a	$217
October 27	932,648	202 a	222
November 5	2,296,690	221 a	246
November 12	1,224,280	238 a	260
November 19	1,650,000	210 a	230
Total	$6,720,074		

The difficulties of the market gradually caused the price of foreign exchange to fix itself in gold, the bankers requiring payment in gold. During the last four weeks in the following table, therefore, the quotations are for the gold price. To find the currency price the premium on gold is to be added:

RATES OF EXCHANGE.

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 2,.	166 a 166¼	3.38¾ a 3.34⅛	62½ a 63	62⅝ a 63½	55½ a 56	110½ a 111
" 9,.	166½ a 167⅛	3.38½ a 3.40	62⅝ a 63	62⅝ a 63½	55⅝ a 56½	110½ a 111
" 16,.	169½ a 170⅛	3.30 a 3.32½	64 a 64½	64½ a 64⅝	56½ a 57⅛	112⅝ a 113⅜
" 23,.	170 a 171	3.31 a 3.33	64½ a 64½	64½ a 65	56⅝ a 57	112⅝ a 113⅜
" 30,	171 a 172	3.32½ a 3.28½	64½ a 64⅝	64½ a 65	57⅛ a 57½	113½ a 114
Feb. 6,	174 a 175	3.26½ a 3.23⅛	65½ a 66⅛	65½ a 66	58 a 58½	115 a 116
" 13,	173 a 174½	3.27½ a 3.23½	65 a 65½	65⅛ a 65½	58⅛ a 58½	115½ a 116
20,	172½ a 174	3 27½ a 3.23⅛	65½ a 65⅝	65½ a 65⅝	58⅛ a 58½	115½ a 116
27,	173½ a 174	2.26½ a 3.22	65½ a 65½	65⅝ a 66	58⅝ a 58⅝	115⅝ a 116½
5,	174½ a 175⅝	3.25 a 3.21½	65⅝ a 66½	66 a 66½	58½ a 59	116 a 117
12,	177 a 178	3.15 a 3.18⅝	66 a 66½	67 a 67½	59 a 59½	117½ a 118
19,	176 a 177	3.22½ a 3.18⅛	65½ a 66½	66 a 66½	58½ a 59	116 a 117
26,	179½ a 182	3.15 a 3.10	67⅝ a 68½	68 a 68⅝	60½ a 61	120 a 121
April 2,	177½ a 181	3.18⅝ a 3.12½	66⅛ a 67	67 a 67⅝	59½ a 60½	118 a 120
" 9,	184 a 185	3.08 a 3.06½	68½ a 69	68⅝ a 69½	61½ a 62	121½ a 122
" 16,	189 a 191	2.97½ a 2.95	70 a 71	70½ a 71½	62½ a 64½	127 a 128
" 23,	190 a 192	3.05½ a 2.95	71½ a 71⅝	71½ a 72	62⅝ a 63½	124 a 125
" 30,	195 a 198	2.90 a 2.85	73 a 74	73½ a 74½	65 a 66	130 a 131
May 7,	192 a 195	2.96½ a 2.90	72 a 73	72½ a 73½	63½ a 64½	126 a 127
" 14,	192 a 187	2.95 a 3.02	71½ a 70⅝	71½ a 71	62½ a 63	124 a 125
" 21,	196 a 198	2.87½ a 2.83½	74 a 75½	73½ a 75	65 a 66	130 a 131
" 28,	201 a 203½	2.81½ a 2.77½	75½ a 76⅝	75½ a 76½	67 a 67½	134 a 135
June 4,	218 a 210	2.72½ a 2.68½	78 a 79	77½ a 74½	68½ a 69	135 a 136
" 11,	215 a 218	2.65 a 2.60	79 a 79½	78 a 79	71½ a 72	143 a 144
" 18,	216 a 219	2:64 a 2.88	79½ a 80½	80 a 80½	72 a 73	145 a 145
" 25,	235 a 238	2.37½ a 2.41½	86 a 87	.. a ..	76 a 77	154 a 155
July 2,	270 a 295	2.15 a 1.92½	93 a 94	.. a ..	85 a 95	185 a 195
" 9,	292 a 298	1.95 a 1.87½	.. a ..	200 a215	96 a 98	184 a 188
" 16,	268 a 290	Nominal.				
" 23,	273 a 282	2.10 a 2.01½	.. a ..	101 a103	90 a 93	182 a 184
" 30,	270 a 274½	2 15 a 2.07½	.. a ..	98 a100	88½ a 90½	178 a 180
Aug. 6,	279 a 283	2.00½ a 2.00	.. a ..	103 a105	91 a 93	184 a 185
" 13,	274 a 277	2,05 a 2.07½	.. a ..	.. a ..	91½ a 92½	183 a 185½
" 20,	278 a 279½	2.06½ a 2.02½	100 a 102½	101 a103	91⅝ a 92½	183 a 184
" 27,	275 a 276	2.08½ a 2.05	.. a ..	.. a ..	90 a 90⅝	178 a 180
Sept. 3,	260 a 275	2.15 a 2.05	.. a ..	.. a ..	85 a 90½	170 a 180
" 10,	253 a 256	2.25 a 2.20	93 a 94	.. a ..	83 a 84	166 a 167
" 17,	245 a 248½	2.31½ a 2.27½	.. a ..	.. a ..	80½ a 81½	.. a ..
" 24,	230 a 240	1.47½ a 2.35	.. a ..	83 a 90	76 a 80	.. a ..

Oct. 1,	208	a	210	2.75	a	2.68⅞	..	a	..	..	a	..	67½	a	68½	.. a ..
" 8,	210	a	218	2.70	a	2.60	..	a	..	..	a	..	70	a	72	.. a ..
" 15,	218	a	230	2.55	a	2.45	69	a	71	..	a	..	72	a	75	138 a 14⅛
" 22,	108¾	a	109½	5.16½	a	5.20	40⅝	a	41	..	a	..	35½	a	36	71 a 72
" 29,	108¾	a	109	5.18¾	a	5.22	..	a	..	..	a	..	35⅝	a	36½	71½ a 72
Nov. 5,	109½	a	109¾	5.17½	a	5.25	40	a	41	40½	a	41	35⅝	a	36½	70⅝ a 72
" 12,	109½	a	109¾	5.16½	a	5.25	40	a	41	40½	a	41½	35½	a	36½	70 a 72½
" 19,	109½	a	109¾	5.25	a	5.16	40½	a	41½	41	a	41½	35½	a	36	72 a 72½

The disposition to draw only for gold makes the exchange market more regular and satisfactory, and throws upon the importers the whole trouble of buying gold, cost of commissions, etc. The demand then is from importers for duties, and also for gold to pay for bills drawn. Commercial bills are sold to some extent for currency.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

STATE BANKS IN PHILADELPHIA RE-ORGANIZING UNDER NATIONAL LAW—NATIONAL BANK RETURNS—INCREASE IN CAPITAL AND CIRCULATION—BOSTON AND NEW YORK STATE BANKS AND THE NATIONAL LAW—NATIONAL CIRCULATION, WHAT IS IT?—BANK OF COMMERCE TO BECOME A NATIONAL BANK, AND WHAT WILL BE ITS CIRCULATION—THE PROFITS OF BANKING UNDER NATIONAL ACT—NEW YORK, BOSTON AND PHILADELPHIA BANK RETURNS—ACCOUNTS FROM ENGLAND MORE FAVORABLE—RETURNS OF BANK OF ENGLAND AND BANK OF FRANCE, ETC.

The officers of the banks of Philadelphia, and many of those of Boston, have been constrained to make arrangements for re-organizing their banks under the National Bank Law, because of the expenses and local taxes that so eat up the profits of the local banks, that it requires 20 per cent. in earnings to pay 8 per cent. dividends. The tendency is, therefore, to make a change and become National banks. These banks are not taxed directly, but under the State laws the tax will fall upon the stockholder, which must be in proportion to other profits. But the advantages held out to the institutions of not paying specie, by being Treasury depositors, &c., are such as to counteract that tax. Other institutions will probably soon assume the national character before the limit allowed by the law is taken up by new institutions. The report of the National Banks, Oct. 1, was as follows. We also give the figures for July:

CONDITION OF THE NATIONAL BANKS ON THE MORNING OF THE FIRST MONDAY OF OCTOBER AND OF JULY, A. D. 1864, BEFORE THE COMMENCEMENT OF BUSINESS ON SAID DAYS.

Resources.

	July 1.	Oct. 1.
Loans and discounts	$70,746,513 33	$93,238,657 93
Real estate, furniture and fixtures	1,634,049 46	2,202,818 20
Expense account	505,341 31	1,021,569 02
Remittances and other cash items	5,057,122 90	7,640,169 14
Due from National Banks	15,935,730 13	19,935,720 47

Due from other banks	17,337,558 36	14,652,396 31
U. S. Bonds, and other U. S. securities	92,839,500 00	108,664,496 03
Bills of other banks	5,344,172 39	4,687,727 28
Specie and other lawful money	42,288,797 84	44,801,497 20
Other items	842,017 73	1,424,648 70
Aggregate	$252,273,063 75	$297,108,195 80

Liabilities.

Capital stock paid in	$75,218,945 65	$86,782,802 75
Surplus fund	1,129,910 22	3,010,286 10
Notes in circulation	25,925,665 00	45,260,504 00
Deposits	119,288,453 27	121,645,820 55
Unpaid dividends	125,785 11	520,715 10
Due to National Banks	17,303,873 12	20,145,419 35
Due to other banks	10,078,133 25	14,716,384 96
Profits	3,094,330 11	5,982,392 22
Other items	213,788 02	43,289 77
Aggregate	$252,273,803 75	$297,108,195 80

In the quarter to October 1, it appears the capital increased $11,568,857, and the circulation increased 20 million. Since October 1, the weekly increase has been as follows:

	Capital.	Circulation.
October 22	$98,111,420	$56,858,036
" 29	104,746,070	58,734,180
November 5	105,381,070	60,450,100
" 12	106,540,750	62,350,390
" 19	108,440,870	64,529,470

It appears from the above that the weekly increase of circulation has been nearly $2,000,000 per week, and more than one-third of the authorized capital is already taken up. To this will be added the Boston capital, and most of that of New York, as soon as the coming legislature shall have passed an enroling act, which will remove all doubts as to the legal right of the State institutions to merge their rights in the new system. The bank of Commerce with its capital of $10,000,000, has already announced its intention to organize under the new law. The direction of this movement is to increase greatly paper issues, because the new circulation of $300,000,000 will not be based upon specie real or pretended, but upon $450,000,000 United States legal tender that are now at 40 cents on the dollar in gold. The National bank notes being a legal tender between the government and the people, will require but a small amount of legal tender basis, because there will be no need of demanding payment. If any one has money to pay the government, except for duties, the bank notes are available. If he wants specie, the bank notes will buy it on nearly as good terms as the greenbacks, in which they are redeemable. Thus an institution in the country issuing $100,000 notes, must have on hand 15 per cent. in lawful money, of which $9,000 must be in legal tender; and $6,000 in balances due to it from other banks, which means simply nothing. Thus the whole issue of $100,000 circulation is $3,600, if we estimate it at the present value in specie. In case legal tenders fall, as fall they will, from the mere effect of these bank issues, the whole obligation becomes *nil*.

Besides all this, the re-organization of these old banks enables the most of them to issue a large amount of additional currency. Take the Bank of Commerce of New York as an instance. The capital is, as we have stated, $10,000,000. One-third of this capital will have to be lodged, in the form of United States bonds, with the Comptroller of the Currency at Washington, and ninety per cent. of the market value of the bonds deposited will be restored to it in circulating notes. The law gives any bank the option of increasing its deposit to the full amount of its subscribed capital and its circulation in proportion. The minimum amount of currency placed at its disposal will thus be more than three millions, and may be about nine millions. Its circulation now is only one thousand seven hundred and five dollars.

The evils connected with these National Banks are beginning to receive the attention of the daily press. The Cincinnati *Gazette* of the 15th of November, speaks of them as follows. If our readers will turn to the back numbers of the Magazine issued when the National Act was first passed, much the same ideas will be found repeatedly expressed, only then few believed us. The *Gazette* says:

"The country has suffered but little thus far from National Banks, but it is plain enough to see that the foundations have been laid for a bubble of the most extraordinary dimensions, and the superstructure is going up rapidly. National Banks are running into the wildest kind of a wildcat system. There is no doubt at all about this. We need not say that we do not refer here to the banks based upon *bona fide* capital, and organized for legitimate purposes; but it is known that the ropes are being arranged for operations that will, so far as regards the inflation of the currency, throw the old, broken-down system of Indiana and Illinois into the shade. What else can be expected? Never was such an opportunity for making money presented. Let us look at it: A bank is organized with a nominal capital of $300,000. The sum of $100,000 is subscribed and paid in. This is invested in United States bonds, which are deposited with the comptroller, and $90,000 in currency issued. This is used indirectly for purchasing other bonds, and a further instalment of $81,000 is obtained in currency. This is again used, and another instalment of $73,000 in currency is received. Thus the bank has, on a *bona fide* capital of $100,000, secured and deposited bonds to the amount of $271,000, and has in circulation notes to the amount of $244,000. Put these together, and we have $515,000 standing on $100,000. This is almost equal to anything the Indiana and Illinois sharpers ever got up in their palmiest days. Now let us look at the profits:

Interest on bonds, equal in currency to.....	$37,940 00
Interest on circulation at 8 per cent.....	14,640 00
Total interest.....	$52,580 00

We have deducted from the currency 25 per cent., which banks are required to keep on hand. But the managers who go into this kind of business will do better than that. How this may be done, we need not stop to explain. It is very easy to make an average, by having large amounts of currency two or three times in a month, to swear by. It is thus seen that on a capital of $100,000 a company of gentlemen may realize a profit of $52,580 00 per annum from the circulation alone. If gold should go higher than 240, the profits would be still larger. It would be in the direct line of interest with those bankers to inflate the currency and enhance the price of gold. But about redemptions. Isn't a bank required to redeem? Yes, in greenbacks; but they are not asked to redeem in anything. There would be no object in it. If we had specie pay-

ments, there could be no such banking as this we describe; but there being no payments of any kind, notes are set afloat, and do not return to annoy their makers."

We do not believe it will be long before the true tendency of this act will be seen by every one, but we trust it will be before all its evils have worked out their full effect upon the country.

The Banks of Philadelphia and Boston, as will be perceived from the following tables, began to sell their gold freely as soon as they had determined to organize under the new law. The sales of the Banks of the two cities amount to nearly $3,000,000. The weekly returns of the New York Banks give the following results:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $————; *Jan.*, 1863, $69,494,577.)

Date.		Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
January	2,..	$174,714,465	$25,161,935	$6,103,331	$140,250,856	$300,753,147
"	9,..	178,009,701	25,122,002	6,032,546	134,861,977	387,546,217
"	16,..	165,991,170	23,884,264	6,008,182	130,311,046	416,962,806
"	23,..	162,925,880	24,077,513	5,949,807	130,136,203	460,811,543
"	30,..	162,296,896	24,203,632	5,913,558	130,665,415	427,306,608
February	6,..	163,076,846	24,070,791	5,974,762	133,849,042	425,430,985
"	13,..	165,090,329	23,521,453	5,916,707	140,464,616	467,751,745
"	20,..	164,302,935	22,523,918	5,908,394	148,014,106	514,887,411
"	27,..	174,928,205	22,301,687	5,907,851	154,875,059	575,442,304
March	5,..	182,317,378	21,188,034	5,937,167	158,999,668	518,951,433
"	12,..	189,757,746	20,750,405	5,918,807	168,044,977	688,822,273
"	19,..	198,229,513	21,059,542	5,889,197	169,637,975	618,338,858
"	26,..	199,372,437	20,425,504	5,514,139	168,315,904	576,253,989
April	2,..	203,993,131	19,526,665	5,703,908	171,151,297	676,372,745
"	9,..	204,383,192	20,924,287	5,804,511	170,513,020	658,352,112
"	16,..	198,703,699	21,687,670	5,779,650	168,350,790	646,593,643
"	23,..	196,286,722	24,868,003	5,679,947	161,978,166	672,442,840
"	30,..	194,157,495	24,087,343	5,626,978	164,578,919	446,587,420
May	7,..	192881,246	23,082,028	5,594,832	168,562,197	410,052,013
"	14,..	194,178,921	22,635,155	5,482,357	174,426,682	413,552,127
"	21,..	197,356,939	22,091,691	5,867,855	173,111,884	486,884,114
"	28,..	195,813,462	21,973,180	5,240,812	171,765,696	410,972,198
June	4,..	196,740,609	22,461,604	5,180,689	174,516,367	477,648,207
"	11,..	194,935,822	24,041,704	5,049,457	172,537,248	445,519,165
"	18,..	195,773,583	22,916,291	4,959,096	169,445,767	431,158,427
"	25,..	197,077,002	22,000,988	4,807,195	168,772,982	442,840,362
July	2,..	198,089,016	21,206,635	4,752,917	164,989,844	452,583,531
"	9,..	199,699,742	20,084,917	4,696,107	163,525,977	336,521,426
"	16,..	199,043,887	21,234,354	4,724,538	151,816,947	466,125,408
"	23,..	190,885,761	21,033,912	4,688,892	147,981,325	403,144,195
"	30,..	185,838,480	21,051,896	4,553,426	152,929,668	399,489,739
August	6,..	185,563,507	21,159,518	4,522,728	153,279,263	415,360,181
"	13,..	185,074,244	21,030,309	4,417,804	155,826,514	422,879,926
"	20,..	185,998,407	20,794,268	4,346,653	156,536,217	332,685,847
"	27,..	188,502,729	19,952,949	4,256,847	156,036,807	406,296,866
September	3,..	189,414,631	20,136,547	4,200,950	151,068,566	436,381,918
"	10,..	187,285,127	20,603,881	4,181,616	147,967,942	435,795,330
"	17,..	186,317,519	20,135,315	4,169,513	146,378,542	498,191,745
"	24,..	185,551,211	20,065,180	4,147,107	144,654,935	461,221,702
October	1,..	185,896,837	19,671,131	4,157,823	145,816,097	543,084,474
"	8,..	185,875,206	20,066,557	4,131,111	146,333,022	506,281,897
"	15,..	185,357,270	20,522,032	4,051,767	150,238,084	494,830,434
"	22,..	186,738,764	21,010,360	3,991,779	150,816,884	511,388,091
"	29,..	186,521,351	21,078,307	3,920,290	151,883,092	437,717,893

Date.	Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
Nov. 5,..	187,878,510	21,740,327	3,850,463	153,920,403	641,853,442
" 12,..	188,914,029	22,491,122	3,735,635	153,383,095	573,145,880
" 19,..	190,460,852	21,438,959	3,700,626	156,154,196	578,069,364

The returns show an expansive movement on the part of the Banks since the last week in September, when the net deposits were reduced to $144,000,000. An increase of $14,000,000 or 10 per cent in the unemployed money has been attended only by an increase of $5,000,000 in loans. Inasmuch as all paper drawing interest is placed under the head of loans, it appears that the Banks had $10,000,000 more November 19th than September 24th, which was unemployed. This is due to the absence of demand at a time of business inactivity.

The Philadelphia institutions continue their returns weekly, and the results show a disposition to expand while they have sold specie.

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1862, $11,970,180.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,...	$35,698,808	$4,158,585	$2,055,811	$29,878,920	$4,316,768	$2,963,563
" 11,...	35,458,967	4,158,235	2,050,891	30,484,227	4,001,473	2,814,188
" 18,...	34,896,842	4,158,125	2,044,427	31,194,851	4,330,120	3,063,148
" 25,...	34,849,959	4,103,065	2,047,846	32,354,253	3,500,693	2,905,921
Feb. 1,...	34,345,126	4,108,109	2,056,532	32,027,147	3,453,431	3,271,306
Feb. 8,...	34,146,677	4,102,671	2,066,069	31,033,030	4,080,059	2,461,873
" 15,...	34,590,880	4,102,748	2,069,061	29,911,704	4,322,609	2,080,750
" 22,...	35,059,676	4,102,588	2,119,488	30,783,741	4,463,751	2,099,778
" 29,...	35,519,704	4,102,848	2,167,848	31,435,753	4,837,264	2,114,227
Mar. 7,...	35,913,334	4,102,632	2,208,492	31,712,547	5,323,316	2,116,042
Mar. 14,...	35,956,678	4,099,707	2,308,250	32,511,405	5,508,146	2,333,819
" 21,...	36,412,923	4,099,664	2,340,182	32,835,038	6,933,974	2,428,227
" 29,...	36,695,415	4,096,401	2,357,768	33,156,496	5,791,191	2,724,935
April 4,...	37,262,220	4,095,495	2,390,092	34,404,607	5,641,638	3,425,805
" 11,...	37,032,110	4,093,461	2,379,827	35,958,444	5,855,277	3,799,151
" 18,...	39,535,334	4,095,387	2,329,590	38,174,046	5,748,257	3,291,176
" 25,...	39,570,567	4,095,475	2,253,386	37,393,247	6,067,966	2,592,465
May 2,...	39,770,436	3,972 349	2,241,885	37,758,836	6,374,531	2,730,540
" 9,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 16,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,853,894
" 23,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 30,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,858,894
June 7,...	39,728,493	3,694,820	2,100,927	38,249,800	5,993,116	3,186,259
" 14,...	40,286,433	3,964,758	2,077,753	38,367,171	5,930,707	3,007,282
" 21,...	40,286,488	3,964,529	2,074,273	37,588,203	6,403,664	2,998,548
" 27,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
July 4,...	40,918,009	3,955,836	2,154,253	37,945,305	6,225,952	4,325,450
" 11,...	40,717,527	3,949,105	2,337,651	37,312,423	6,197,570	4,658,667
" 18,...	40,731,324	3,948,440	2,208,063	36,462,271	6,189,843	3,616,992
" 26,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
Aug. 2,...	39,277,980	3,962,385	2,249,226	36,520,768	6,059,048	3,816,165
" 9,...	39,142,449	3,962,367	2,231,394	37,284,436	5,992,712	3,785,896
" 16,...	39,353,341	3,962,313	2,214,929	36,826,674	5,801,231	3,691,201
" 24,...	39,401,423	3,962,154	2,222,401	35,869,084	5,738,141	3,891,137
" 31,...	39,778,594	3,972,413	2,361,745	35,603,148	6,070,333	3,704,273
Sept. 7,...	40,334,268	3,962,395	2,454,060	34,981,231	6,119,871	3,419,624
" 14,...	40,885,872	3,962,353	2,524,005	35,039,636	6,071,768	3,047,313
" 21,...	42,404,383	3,961,342	2,574,571	35,913,425	6,031,204	3,031,281
" 27,...	41,839,955	3,960,464	2,610,809	34,838,109	6,121,101	3,057,381
Oct. 3,...	41,152,335	3,910,436	2,626,884	34,649,193	6,351,204	3,158,271

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
" 10,...	40,541,371	3,940,409	2,603,851	34,968,886	6,336,490	3,268,360
" 17, ..	40,867,864	3,940,341	2,581,607	35,559,796	6,745,828	3,126,082
" 20,...	41,105,615	3,663,370	2,554,604	37,102,885	6,582,950	3,302,433
" 27, ..	41,598,194	3,496,143	2,519,385	37,425,689	6,469,666	3,554,675
Nov. 7,...	41,763,747	3,058,994	2,455,776	36,943,993	6,000,000	3,000,000
" 14,...	42,844,878	2,743,641	2,406,652	37,705,036	6,000,000	3,000,000
" 21,...	43,792,297	2,674,037	2,355,763	39,227,713	.....	... ...

The Boston Banks struggles against the tenders to absorption in the new loans. But the Suffolk Bank finally gave in, and the others also entered upon the paper flood which knows no outlet. The returns show a pretty sharp contraction in the last few weeks:

BOSTON BANKS.

Boston Banks. (*Capital, Jan.*, 1863, $33,231,700; *Jan.*, 1862, $38,231,700.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,..	$76,805,343	$7,503,889	$9,625,043	$32,525,679	$12,831,000	$12,351,500
" 11,..	77,747,734	7,531,195	10,185,615	31,524,185	12,703,600	11,019,000
" 18,..	75,877,427	7,464,511	9,963,889	31,151,210	12,041,000	11,769,000
" 25,..	74,146,000	7,440,000	9,729,000	30,893,000	11,106,700	12,227,000
Feb 1,..	73,959,175	7,385,413	9,660,163	30,655,782	10,825,000	11,854,500
" 8,..	71,765,122	7,265,104	9,579,020	30,030,292	11,315,000	12,272,000
" 15,..	71,088,849	7,224,924	9,741,471	30,412,647	11,615,000	13,448,000
" 22,..	71,074,000	7,215,500	9,411,000	31,831,000	11,329,600	14,925,404
" 29,..	72,189,003	7,179,310	9,371,440	33,155,888	12,224,603	16,189,720
Mar. 7,..	72,687,363	7,108,519	9,606,318	33,688,017	12,313,829	16,535,992
" 14,..	72,105,111	7,052,181	9,490,311	33,891,204	12,704,181	17,315,231
" 21,..	73,207,121	7,033,721	9,548,211	35,090,181	13,092,531	17,266,741
" 28,..	73,485,514	7,016,086	9,210,096	34,859,508	13,352,706	17,071,731
April 4,..	71,838,506	6,856,708	9,442,082	32,861,609	13,601,005	15,786,092
" 11,..	72,620,348	6,932,192	10,447,916	33,324,978	15,094,360	17,362,371
" 18,..	72,328,896	6,869,726	10,331,806	33,510,054	14,447,997	17,051,244
" 25,..	72,538,611	6,952,498	10,938,991	31,810,971	14,715,981	15,790,498
May 2,..	71,270,181	6,642,798	10,127,097	31,461,499	14,206,581	14,206,592
" 9,..	69,471,481	6,726,484	10,521,591	31,172,584	12,801,000	16,239,000
" 16,..	68,838,581	6,644,493	10,126,473	31,633,071	12,500,671	16,201,083
" 23,..	66,683,510	6,573,181	9,899,193	30,605,131	11,871,719	15,733,691
" 30,..	69,201,301	6,541,201	9,681,204	34,391,208	11,101,307	15,925,201
June 7,..	67,093,500	6,509,181	9,160,621	32,771,821	10,875,181	16,130,720
" 14,..	67,942,400	6,524,207	8,771,181	33,305,220	10,710,089	15,057,181
" 21,..	68,880,121	6,507,021	8,933,121	32,740,201	11,681,602	14,790,012
" 28,..	69,691,000	6,470,600	9,063,712	30,865,101	12,260,030	12,872,111
July 5,..	66,950,111	6,290,521	9,574,009	29,940,102	11,880,312	13,809,002
" 12,..	66,452,107	6,301,101	9,936,491	32,230,004	11,806,002	13,434,523
" 19,..	66,979,000	6,246,211	9,890,081	30,584,101	10,003,181	13,942,001
" 26,..	59,973,511	5,733,010	9,775,481	27,905,491	9,151,111	13,473,621
Aug 2,..	59,760,393	5,729,431	9,327,101	27,866,201	8,947,021	13,039,537
" 9,..	60,655,181	5,734,101	9,685,671	27,806,030	9,842,621	13,261,654
" 16,..	61,175,211	5,665,981	9,538,841	27,773,831	9,855,921	12,793,821
" 23,..	61,817,002	5,660,911	9,567,921	27,221,731	10,052,871	12,007,431
" 30,..	61,960,431	5,681,871	9,636,000	26,495,100	10,110,000	11,618,981
Sept. 6,..	62,211,931	5,744,898	10,100,400	25,884,487	10,535,000	11,526,011
" 13,..	61,918,600	5,759,033	10,274,852	25,015,230	10,152,979	11,142,930
" 20,..	61,863,582	5,820,671	10,420,810	24,722,891	10,530,000	11,237,080
" 27,..	58,352,671	5,637,921	10,230,431	23,532,981	10,958,781	10,197,691
Oct. 4,..	58,391,621	5,539,000	10,816,991	24,384,581	9,664,481	11,476,581
" 11,..	57,719,911	5,391,101	10,804,857	23,918,331	7,784,451	10,017,792
" 18,..	55,734,921	6,361,581	8,993,181	24,018,572	7,827,911	9,879,721

" 25,..	56,030,000	5,307,481	9,619,682	24,500,689	9,934,311	7,901,421
" 31,..	53,485,492	5,225,591	9,197,471	24,009,531	7,647,421	8,669,439
Nov. 8,..	50,865,491	4,967,781	9,000,000	21,384,001	6,893,910	8,167,892
" 15,..	50,488,921	4,787,182	9,046,931	22,023,478	6,785,521	8,731,799
" 22,..	44,236,000	4,429,700	9,058,381	20,219,421	5,375,581	8,889,421

The accounts from England and France have been of a more favorable tenure, inasmuch as the high rate of money produced its natural effect of moderating business transactions, causing a fall of prices and promoting accumulations of money with the Banks. The general causes that had produced the distress were however still in operation, and there was no surety that a slight relaxation might not renew the drain. The great fall in prices, particularly cotton, had thrown a heavy loss upon the Indian shippers of cotton to England, and fears were naturally entertained that those losses might react in London. The Bank therefore, notwithstanding the impure condition of the accounts, did not see fit to lower the rate of interest until the 10th November; when it reduced it to 8 per cent at Bank, although less outside. The institution had decreased its private securities, and also sold Government securities to strengthen itself. The public mind was not entirely settled. On the contrary, most persons dreaded that fresh failures might be announced before long, in consequence of the very large losses that had been encountered in the produce markets. The effect of the failures at Rio by reaction from the North German towns was looked for, and it was feared that the next news from India would be of an unsatisfactory nature. Apart, however, from the uncertainty necessarily existing with regard to the fate of houses whose position is known to be critical, the amelioration in the condition of the money market was daily becoming more marked. Looking at the mass of produce stored in the various warehouses in the kingdom, and having in view the large harvest returns throughout Europe and in America, it is evident that the supplies of all descriptions of food will continue large, and in excess of the actual wants of the population. Speculation is not, under these circumstances, likely to be immediately resumed, as it is in consequence of the plentiful harvests of this year that that previously existing has broken down. With low-priced food, a large amount of money, and notably the savings of the trading and working classes, will soon be returned in greater sums than at present to the capital for investment. In all probability, the movement by which the discount rate will soon be reduced to a lower figure has already commenced; and there is every reason to conclude that, purged by late events, trade will be re-established in a sounder and healthier condition than for a long time past.

The Bank returns were as follows:

THE BANK OF ENGLAND RETURNS.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 2,...	21,685,732	7,284,894	12,924,545	31,980,889	13,048,475	8 per ct.
" 9,...	20,801,207	8,629,856	12,981,276	32,622,659	13,008,617	8 "
" 16,...	20,382,764	9,103,738	13,265,068	32,803,049	13,675,474	7 "
" 23,...	20,273,799	10,266,546	12,711,637	32,270,286	14,217,067	7 "
" 30,...	20,686,538	10,841,991	13,021,212	33,488,154	14,862,605	7 "
Jan. 6, '64	21,322,304	10,001,982	13,052,604	33,486,953	14,196,754	7 "
" 13,...	21,396,420	5,264,097	15,411,794	31,726,575	11,708,597	7 "
" 20,...	21,445,793	5,689,074	13,879,877	31,445,860	12,974,109	8 "
" 27,...	20,875,825	6,337,246	13,406,627	31,017,449	13,022,220	8 "

Feb. 3,...	21,162,626	6,748,867	13,372,981	31,436,334	18,303,243	8	"
" 10,...	20,708,113	7,254,682	12,882,226	36,923,317	13,472,271	7	"
" 17,...	20,696,172	7,079,789	13,306,156	31,078,328	13,582,635	7	"
" 24,...	20,207,871	8,153,601	12,426,673	30,504,827	13,819,412	6	"
March 2,...	20,840,374	7,893,633	13,541,278	31,980,446	14,034,222	6	"
" 9,...	20,563,325	8,863,364	12,434,975	31,769,311	13,884,389	6	"
" 16,...	20,333,112	8,570,711	13,105,800	31,929,164	13,916,943	6	"
" 23,...	20,366,705	9,841,323	12,480,154	32,112,543	14,499,201	6	"
" 30,...	20,908,644	10,280,458	12,658,986	33,472,484	14,163,519	6	"
April 6,...	21,528,914	9,818,880	13,348,299	34,223,509	13,616,762	6	"
" 12,...	21,785,597	5,929,922	13,586,029	31,385,305	13,080,300	6	"
" 20,...	21,672,783	5,787,329	13,684,069	31,596,179	12,743,302	7	"
" 27,...	21,484,602	6,217,965	12,620,036	30,961,635	12,567,776	7	"
May 4,...	22,045,792	6,981,132	12,278,903	32,070,427	12,454,244	9	"
" 11,...	21,478,987	7,299,434	12,901,160	32,239,210	12,705,251	9	"
" 18,...	21,313,352	7,568,661	12,962,402	31,855,696	13,267,416	8	"
" 25,...	20,868,047	7,971,003	12,882,042	31,297,181	13,713,943	7	"
June 1....	21,246,840	8,286,719	12,493,776	31,329,121	14,052,761	7	"
" 8,...	20,766,405	8,748,510	11,966,204	30,711,740	14,043,129	7	"
" 15,...	20,597,557	8,512,311	12,790,361	30,884,192	14,304,205	6	"
" 22,...	20,623,207	9,287,594	13,051,661	31,948,856	14,319,061	6	"
" 29,...	21,153,606	10,213,535	12,890,244	33,297,897	14,197,849	6	"
July 6,...	21,890,063	9,489,130	13,471,415	34,286,592	13,930,809	6	"
" 13,...	22,161,001	4,683,803	15,082,746	31,637,509	13,701,112	6	"
" 20,...	22,302,688	4,462,490	13,408,675	30,471,085	13,171,561	6	"
" 27,...	22,158,547	4,961,046	13,719,621	31,346,657	12,996,685	8	"
Aug. 3,...	22,489,710	5,155,704	13,519,626	31,909,793	12,877,483	8	"
" 10,...	21,881,314	4,968,222	14,419,766	32,202,646	12,609,925	8	"
" 17,...	21,554,139	5,145,800	13,950,446	31,594,936	12,725,759	8	"
" 24,...	21,047,048	5,288,725	13,714,161	30,861,710	12,831,751	8	"
" 31,...	21,289,324	5,815,742	13,073,751	31,058,841	12,980,033	8	"
Sept. 7,...	21,867,124	6,022,373	12,904,085	31,202,405	12,970,447	9	"
" 14,...	20,960,414	6,702,054	12,723,620	31,381,674	12,905,511	9	"
" 21,...	20,842,714	6,815,611	12,390,681	30,795,458	13,171,107	9	"
" 28,...	20,751,741	7,083,958	12,588,902	31,298,584	13,121,123	9	"
Oct. 5,...	21,915,817	6,877,591	11,731,746	31,530,895	12,998,210	9	"
" 12,...	21,774,334	7,023,234	13,206,313	32,192,227	13,606,293	9	"
" 19,...	21,828,920	3,273,589	14,098,454	29,447,960	13,002,488	9	"
" 27, ..	21,525,745	3,723,549	13,897,777	29,274,958	13,146,009	9	"
Nov. 2,...	21,596,300	3,777,941	13,848,428	29,181,019	13,313,441	9	"

The considerable improvement in the returns of the Bank of France induced that institution to lower its rate of interest in the first week of November. The bullion had risen 20,000,000 francs in three weeks. The return is as follows:

BANK OF FRANCE.

	Loans.	Specie.	Circulation.	Deposits.	Interest.
January —	fr.751,649,983	fr.169,027,010	fr.813,490,825	fr.159,797,667	7
February —	705,516,796	182,573,888	775,096,775	160,110,225	7
March —	642,135,993	195,994,738	746,610,375	142,925,719	6
April —	643,570,276	219,320,720	759,926,425	133,701,530	6
May —	683,332,517	242,824,609	767,443,475	178,434,305	8
June —	577,309,524	294,892,295	725,381,925	156,685,209	6
" 23,	594,563,973	280,511,406	720,243,375	144,559,768	6
" 30,	676,605,538	277,544,816	766,609,875	165,668,712	6
July 7,	662,197,524	276,522,727	772,309,475	170,022,200	6
" 14,	667,187,446	266,890,961	792,819,275	152,242,482	6
" 21,	639,299,542	269,810,253	788,378,725	135,282,170	6
" 28,	642,692,154	276,162,420	791,673,525	144,636,985	6

August	4, 634,904,899	276,790,393	786,629,625	157,810,891	6
"	11, 633,495,575	272,433,487	777,023,925	148.866,812	6
"	18, 627,110,297	276,200,183	769,096,425	139,746,017	6
"	25, 615,885,942	280,595,089	767,100,725	130,431,547	6
September	1, 618,948,683	279,353,778	767,763,725	141,075,120	6
"	8, 618,030,503	281,021,082	752,214,625	137,349,361	7
"	15, 633,405,806	273,371,823	761.638,225	130,975,227	7
"	22, 585,624,962	276,644,874	732,775,425	110,529,671	7
"	29, 608,645,155	279,039,471	739.183,625	122,373,527	7
October	6, 606,581,148	267,533,219	751,377,975	128,769,575	7
"	13, 619,256.344	250,423,737	754 479,725	120,525,826	8
"	20, 621,458,240	254,073,596	761,296,775	123,847,672	8
"	27, 591,882,251	272.826,218	740,767,475	124,872,300	8
Nov.	5, 619,601,399	274,145,142	749,664,075	156,717,974	7

The heavy failures which had taken place in Rio had caused great alarm in Paris, both from their direct influence on French commerce, and from the effect they might be expected to produce in London. Several of the leading bankers of Paris are stated to have lost more or less heavily by this. The manager of the Dutch Credit Mobilier at Amsterdam had absconded with a large amount of the funds of that establishment. The general state of affairs it was thought did not justify the Banks in so speedy a reduction of the rate of interest.

The Bank of France has increased its commission for advances on deposits of gold and silver in ingots from 1 to 3 per cent, in order to check certain operations of bullion dealers. These persons, it appears, finding that they could export gold and silver coin at a profit of more than 1 per cent, were in the habit of changing the notes which the Bank gave them for their deposits, and sending the coin abroad. The measure of the Bank has had the good effect of diminishing the demand on its coin, and has at the same time reduced the premium on silver.

The financial circles were much occupied with the negotiations which have taken place between the Italian Government and the Italian Credit Mobilier, for the sale of the crown lands, and through the latter establishment with the Credit Mobilier of Paris. Different sums have been named as the price of the sale, but nothing can be definitively concluded without the sanction of the Italian Parliament. Negotiations with Messrs ROTHSCHILD for the sale of the State railways are also understood to have been renewed.

FINANCES OF THE STATES IN REBELLION.

The finances of the Confederate States are sadly out of joint. Having tried to spend money and keep it too, they have naturally enough failed. To create debt and call it capital may succeed for a time, but it requires a large mixture of faith to enable such a debt to circulate. When that faith is gone, the promise to pay must go with it. The laws passed at the last Confederate Congress failed to work out the cure expected, just for the reason that they took away the last ray of hope that the government issues would ever be paid: they destroyed the faith necessary to float their paper money. It was expected by Mr. MEMMINGER that by driving out the old treasury note to make room for a new issue, limited in amount, that prices of commodities would be brought down and the cost of the war diminished. But this repudiation worked, naturally enough, just the opposite result. "Those who had taken the old notes," says Mr. TRENHOLM, the present Secretary of the Treasury, "relying on the good faith of the government, on finding them deprived of one-third of their nominal value, became alarmed, and received the new notes under a strong apprehension of a repetition of the measure."

The reduction of value here spoken of consisted in compelling the holders, under pain of forfeiture, to exchange notes, originally and on their face convertible into six per cent bonds, for bonds bearing interest at only four per cent. This repudiation by the government of one-third of its past obligations, besides being a breach of faith, was a confession of insolvency.

Mr. TRENHOLM thus states the present condition of the government finances:

"The currency demands the immediate and the gravest consideration of Congress. Unless a uniform and stable value can be given to the treasury notes, the effort to carry on the war through their instrumentality must of necessity be abandoned. Acquiescence in its deplorable depreciation is to court the ruin to which it leads. One hundred and thirty-five dollars in currency, the price obtained for one hundred dollars in six per cent bonds, is equal to six dollars only in specie; and to sell the bonds at this rate is in reality to dispose of them at ninety-four per cent discount; or, in other words, to give a bond for one hundred dollars in consideration of the loan of six dollars.

"There is not a man of property in the country who would not prefer any fair measure of taxation rather than procure a temporary and treacherous prosperity by the sale of mortgages on his estate at this ruinous rate.

"The depreciation of the currency, proceeding from redundancy, and the want of confidence in its ultimate redemption, can only be corrected by measures that shall both diminish its volume and sustain the public confidence. The measures adopted by Congress to reduce the currency did not combine these essential elements of success. Those who had taken the old notes, relying on the good faith of the government on finding them suddenly deprived of one-third of their nominal value, became alarmed, and received the new notes under strong apprehensions of a repetition of the measure. At the time, too, that the currency act provided for a circulation exceeding four hundred millions of dollars, it circumscribed and reduced the demand for the notes by making the four per cent bonds receivable in the payment of taxes. By the 1st of August $170,000,000 of the new notes had already been issued, and less than $10,000,000 sufficed for the payment of the taxes collected at that date. Depreciation commenced at once, and

proceeded at so rapid a rate that by the first day of October gold was selling at twenty-five dollars for one.

"The necessity of providing a speedy and efficient remedy for this condition of things is obvious. The bonds have to be sold for this currency; the taxes must be collected in it, and hence all the means of the government for the purchase of supplies will consist of this medium. Admitting that the amount which may be raised from these sources is nominally equal to the estimated expenditures, there is yet no security against such a further decline in the value of the notes as will disappoint present calculations and add enormously to the accumulation of the public debt. The time, therefore, seems to have arrived when Congress should take measures to restore and sustain the currency, or make provision for its honorable redemption, and resort to the use of specie and bank notes. The adoption of the last alternative, it is feared, would produce great embarrassment in the community, and the impossibility of obtaining an adequate supply of specie and bank notes for the wants of the government would create the necessity for a system of universal impressments, followed by incalculable suffering and distress."

Mr. TRENHOLM does not despair, however. In the first place his expedients with regard to the currency are three. First, he proposes that the Government faith be pledged that the notes shall ever remain exempt from taxation. Second, that Congress shall also pledge the faith of the Government, not to exceed the issue of notes already authorized, namely, $400,000,000; and, Third, that it should pass an act appropriating twenty per cent of the taxes each year, until the return of peace, to the reduction of the currency until its amount is brought down to $150,000,000; and, further, that a tax in kind be continued after the war, and a certain fixed proportion of it be annually applied to the redemption of the then outstanding notes. This scheme, it will be seen, implies faith in the government and faith in the success of the rebellion; but, as we stated above, government faith has already been broken, and the necessities to which it yielded being quite as likely to happen again, the mere pledge of Congress is of no account. The old issue of notes might have had a little life infused into it by some such acts as these, but it will take a stronger body than a Confederate Congress to build up the new.

The nature and extent of the Treasurer's expectations and wants may be gathered from his report. For instance, he states the resources as follows:—The tax in kind will produce, he says—wheat, twenty-five million bushels; Indian corn, two hundred million bushels; and cotton, two million bales. If this wheat, corn and cotton be sold, the receipts in cash from this source are estimated as follows:—

Wheat, two million five hundred thousand bushels, at four dollars...	$10,000,000
Indian corn, twenty million bushels, at two dollars.....	40,000,000
Cotton, two hundred thousand bales, at two hundred dollars per bale.	40,000,000
Total.....	$90,000,000

To this he adds the following suggestions:

"I propose an additional duty of five cents per pound on the exportation of cotton and tobacco, and the duplication of the duties on imports; payments to be made in coupons of the five hundred million loan, sterling exchange and specie, as now provided by law. The price of cotton in Liverpool being about sixty cents per pound, the deduction of five cents for the tax would

hardly have an appreciable effect upon its value in currency. The duty would fall chiefly on the foreign consumer, or be taken from the profits of the exporter; and an important financial advantage would be obtained at a moderate expense to the country. The increased duty on imports would be a small tax on this lucrative trade. If paid by the importer, it would be free from all objection; and if by the consumer, his ability to bear it is abundantly proven by the high price paid for goods. These measures would enhance the value and enlarge the demand for the five hundred million loan.

The expenditures for the six months, from the 1st January to the 1st of July, 1865, with an improved currency, may be safely estimated at a maximum of $300,000,000; and for the twelve months at.....	$600,000,000
To this amount must be added for the redemption of notes, as proposed, the sum of.....	60,000,000
And for the estimated amount of floating debt.....	114,000,000
Total.....	$774,000,000

"To meet these demands upon the Treasury, I propose the following scheme of taxation and loans, viz.:

1. Taxation, including the tax in kind.....	$360,000,000
2. Sale of bonds of the five hundred million loan and certificates of indebtedness.....	409,000,000
3. Import and export dues and miscellaneous receipts.....	5,000,000
Total.....	$774,000,000

"To raise the amount proposed by taxation I recommend the repeal of so much of the act amending the act of 17th February, 1864, as will leave the property and income tax in full operation, without the abatements now allowed, viz.: section 1, paragraph 1, of the amendatory act of 14th June, 1864, which provides that the value of the tax in kind shall be deducted from the ad valorem tax on agricultural property, and section 8, paragraph 2, of the same act, which provides that the property tax shall be deducted from the income tax. By this change the desired amount of revenue will be secured and the prominent inequalities of taxation, now the subject of complaint, will be redressed."

This statement is not an encouraging one, nor is it very clear. How the Treasurer proposes to raise his $360,000,000 by taxation certainly needs some further explanation. To us it appears a hopeless prospect.

There are, however, financially two resources left the South, both of which she has already used and may use, so long as her people will submit—these are the cotton loan and the tax in kind. A revenue may be derived from these sources, which, together with the little that can be obtained from other taxation, will enable the government to exist (that is, keep its army in the fields,) but nothing more. To talk of redeeming the currency is idle in the extreme.

Judging from President DAVIS message, and Mr. TRENHOLM'S report, we should suppose that the tax in kind, passed by last Congress, had been pretty thoroughly collected this year, for it seems that of the appropriations in money made for the support of the government by last Congress not over one half were used, and the president says that no new appropriations will be needed. If, then, we may suppose that it has been and will be collected, the supplies for the army are secured, just so long as the people can and will pay the tax. To be sure it is an expensive and oppressive mode of taxation, but yet it is clearly the best the circumstances will permit. How far a cotton loan may be used to supply the

necessary munitions of war, machinery, &c., we cannot undertake to say. Certainly this resource would be very limited.

The public debt on the 1st of October, 1864, was as follows:—

FUNDED DEBT.

Total issue of bonds and stocks		$363,416,150
Total issue of call certificates		197,578,370
Total issue of certificates of indebtedness		19,010,000
Total issue of produce certificates, act April 21, 1862		3,500,000
Amount of 7-30 interest notes, which have assumed the character of permanent bonds		99,954,900
Total		$683,459,420
Reduced by amount redeemed, to wit:—		
Act May 16, 1861, principal	$297,600	
Act August 19, 1861, principal	1,267,700	
Call certificates, act December 24, 1861, six per cent.	70,729,030	
Call certificates, act March 23, 1863, five per cent.	70,000,000	
Call certificates, act March 23, 1863, four per cent.	1,825,000	
		144,119,330
Total		$539,340,090

UNFUNDED DEBT.

Amount of 3-65 interest notes outstanding		$516,050
Total issue of Treasury notes—old issue	$973,281,863	
Reduced by amount called in for cancellation	649,047,945	
		324,203,918
Total issue Treasury notes, new issue		283,880,150
Total		$1,147,970,208

BANK OF ENGLAND.—RATE OF DISCOUNT FROM 1844 TO 1864.

The following table shows the several changes in the Bank rate of discount of the Bank of England from the beginning of the year 1844 to the present time. It will be seen that in the earlier years of the series the changes were very few; there was, for instance, but one in the year 1846, one in 1849, one in 1850, none in 1851. Since 1854 the fluctuations have been much more frequent. The rate of discount was altered seven times in 1855, eight times in 1856, nine times in 1857, six times in 1858, five times in 1859, eleven times in 1860, eleven times in 1861, five times in 1862, twelve times in 1863, and eleven times in about nine months of 1864. The highest rate in the list was 10 per cent, which prevailed in 1857, from November 9th to the day before Christmas. The lowest rate was 2 per cent, which prevailed during the greater part of the year 1852, and for three months of the summer and autumn of 1862. During the year 1864 the average rate has been higher than ever before. In no other year except 1857 has the rate reached 9 per cent.

We also give in the table the date of the successive changes, and the number of days each minimum rate was in operation:

RATE OF DISCOUNT CHARGED BY THE BANK OF ENGLAND FROM 1ST JANUARY, 1844, TO THE PRESENT TIME.

Date of change.	Rate.	Number of days in force.
1844. 1st Jan.....	4	249
5th Sept	2½	406
1845. 16th Oct.....	3	21
6th Nov.....	3½	294
1846. 27th Aug.....	3	140
1847. 14th Jan	3½	7
21st Jan.....	4	77
8th April.....	5	119
5th Aug.....	5½	81
25th Oct.....	8	28
22d Nov.....	7	10
2d Dec	6	21
23d Dec.....	5	35
1848. 27th Jan	4	140
15th June	3½	140
2d Nov.	3	385
1849. 22d Nov	2½	399
1850. 26th Dec.....	3	370
1852. 1st Jan.....	2½	112
22d April.....	2	259
1853. 6th Jan	2½	14
20th Jan	3	133
2d June.....	3½	91
1st Sept.....	4	14
15th Sept	4½	14
29th Sept	5	224
1854. 11th May	5½	84
3d Aug	5	245
1855. 5th April.....	4½	70
14th June.....	3½	84
6th Sept	4	7
13th Sept.....	4½	14
27th Sept.....	5	7
4th Oct.....	5½	14
18th Oct	6 and 7*	217
1856. 22d May	6	7
29th May.....	5	28
26th June.....	4½	97
1st Oct.....	5	5
6th Oct	6 and 7*	38
13th Nov.....	7	21
4th Dec.....	6½	14
18th Dec.	6	105
1857. 2d April	6½	77
18th June	6	28
16th July.....	5½	84
8th Oct.....	6	4
12th Oct	7	7
19th Oct.....	8	17
5th Nov.....	9	4
9th Nov.....	10	45
24th Dec	8	14
1858. 7th Jan.....	6	7
14th Jan	5	14
28th Jan.....	4	7
4th Feb.....	3½	7
11th Feb.....	3	301
9th Dec.....	2½	140
1859. 28th April.....	3½	7
5th May.....	4½	28
2d June.....	3½	7
9th June	3	35
14th July.....	2½	189
1860. 19th Jan	3	12
31st Jan.	4	58
29th March. ...	4½	14
12th April.....	5	28
10th May.....	4½	14
24th May.....	4	168
8th Nov.....	4½	5
13th Nov.....	5	2
15th Nov.....	6	14
29th Nov.....	5	32
31st Dec	6	7
1861. 7th Jan	7	38
14th Feb.....	8	35
21st March	7	14
4th April.....	6	7
11th April.....	5	35
16th May.....	6	77
1st Aug.....	5	14
15th Aug.....	4½	14
29th Aug.....	4	21
19th Sept.....	3½	49
7th Nov.....	3	63
1862. 9th Jan	2½	133
22d May	3	49
10th July	2½	14
24th July.....	2	98
30th Oct	3	77
1863. 15th Jan	4	13

* Six per cent for *short*, and seven per cent for *long* dated bills.

1863. 28th Jan.....	5	22	1864. 20th Jan	6	22
19th Feb.....	4	63	11th Feb.....	7	14
23d April.....	3½	7	25th Feb.....	6	50
30th April.....	3	16	16th April.....	7	16
16th May.....	3½	5	2d May	8	3
21st May.....	4	165	5th May.....	9	15
2d Nov.....	5	3	20th May.....	8	7
5th Nov.....	6	27	27th May.....	7	19
2d Dec.....	7	1	15th June.....	6	42
8d Dec.....	8	21	27th July.....	8	42
24th Dec.....	7	27	7th Sept.....	9	..

COINAGE OF GREAT BRITAIN.

We have prepared from the official tables the following statement showing, in detail, the total coinage of the United Kingdom the past two years :

	1862.	1863.
GOLD.		
Sovereigns	7,836,413	5,921,669
Half sovereigns	None.	4,371,574
Total gold	7,836,413	10,292,243
SILVER.		
Florins	504,000	938,520
Shillings	954,360	859,320
Sixpences	990,000	491,040
Fourpences	4,158	4,158
Threepences	1,160,808	952,889
Twopences	4,752	4,752
Pence	7,920	7,920
Three-halfpenny pieces	319,774	.....
Total silver	3,945,572	3,253,599
BRONZE.		
Pence	50,534,400	28,062,720
Halfpence	51,107,200	25,918,800
Farthings	14,336,000	1,433,600
Total bronze	115,977,600	55,545,120

There have been coined in the last ten years 47,929,914 sovereigns, 12,058,970 half-sovereigns, also 13,069,370 florins, 20,198,393 shillings, 16,737,520 sixpences, 1,837,694 groats, 41,580 fourpenny pieces, 18,495,796 threepences, 47,520 twopences, 79,200 pence, 479,670 three-halfpenny pieces, together in value £3,002,287, or $15,011,435 ; and the cost of the silver metal was £2,257,900 or $11,289,000 ; also, 136,725,120 copper pence, 164,502,685 halfpence, 43,041,152 farthings, 1,591,296 half-farthings, the value of the copper coin being £958,065 or $4,790,325, and the purchase value of the metal £496,543 or $2,482,715.

THE FLORIDA.—ITS CAPTURE IN BRAZILIAN WATERS.

THE announcement of the capture of the Florida at Bahia, has given rise to serious discussion, and if the facts prove to be as stated in the *Journal da Bahia*, we are certainly in the wrong.

Bahia is a maritime city of Brazil, on All Saints' Bay, about eight hundred miles north-northeast of Rio Janeiro. The harbor is one of the best in America, accessible to vessels of the greatest draught, and is protected by seven forts. It has been a favorite resort of the privateers, for coal and supplies.

The Florida came in on the 5th from Santa Cruz de Teneriffe, in order to repair her engine and take in water, &c. The United States Consul asked the President of the province not to let the vessel into port, and to impose some penalty for her not respecting Brazilian waters in burning an American vessel near the Island of Fernando de Noronha. The President replied that he had granted her two days to make the repairs that her engine needed.

There was also in port the United States steamer Wachusett. Fearing some fight, since a challenge had been given, the President of the province obtained from the Consul his word of honor (so says the *Journal da Bahia*) that peace would be kept, and that no action would take place in the port, or within the line of neutrality.

The Florida, for better security, was placed under the batteries of the flagship. On the 6th, its crew being in need of some recreation, half of it was put on liberty, went on shore, and thirty of the crew and some of the officers slept on shore on the nights of the 6th and 7th.

Captain Collins, of the Wachusett, having held a consultation with his officers, determined to sink the Florida in port. Accordingly, at about three o'clock, the cables were slipped, and the Wachusett steered for the Florida, hitting her on the quarter, without doing her great injury.

The following statement of the subsequent facts we take from the *Journal da Bahia:*

Hardly had the Wachusett struck the Florda, when she fired a shot from a bow gun. At once a mast of the Florida fell over, and she lost some men; but the crew returned a feeble fire.

It is asserted that there was great loss of life at all points in the struggle that took place with revolvers and cold steel, and that it did not last long, for the complement of the Florida was reduced by nearly fifty men. Among the dead is said to be the officer of the deck, who received a ball in the breast; and it is said that an officer named Stone was also killed from a shot in the mouth. Another officer, leaping on board of the Wachusett, struck about him, and fell dead under the many blows dealt at him.

Four sailors of the fifteen who leaped into the sea escaped, and these were picked up by vessels lying near. The other eleven were shot in the water by the enemy.

After this brief contest there came an interval of silence which was broken by prolonged cheers from the Wachusett.

The chief of division, Gervasio Mancabo, sent a barge under the command of Lieutenant Varella, on board of the Wachusett, to tell its captain to anchor at

once, or he would sink him if he tried to continue his provocation. To this the latter replied, that, on his word of honor, he would do no more, and that he would go back to his ancorage.

This answer was given to the officer, the commander of the steamer not allowing him to come on board.

But the steamer Wachusett had smartly made fast a cable to the Florida, and then feigned to return to its anchorage, steering to the south.

She passed about a cable's length from the bow of the corvette D. Januaria, which then opened fire, sending eight shots at the steamer, which did not return the fire, and, on the contrary, forced its speed to put itself out of range of the fire. The shot nearly all took effect, being delivered by the best gunners.

At this moment, the crews of all the vessels of war being at quarters, the chief determined that the steamer Parneuse, which had put up steam from the outset of the incidents, should take the corvette in tow as soon as it had enough steam up, sail at the same time being set on the corvette, so that the vessels might rapidly follow the prize. In this order the division set out: steamer Paracuse, corvette D. Januaria, and tender Rio de Coutas. Owing to the tow of the Florida, it was thought that the corvette could gain upon the United States steamer.

On passing the light-house, the chief of the divisions called together his officers in his cabin, and told them of the insult that had been received, declaring that he was going to sink the steamer, take the prize and carry it into this port, if it was possible. He added that it was their duty to show that the honor of a nation could not with impunity be wounded. These words were received with enthusiasm by all the officers, who called out for an action with great ardor.

Chase was given to the steamers, which were about five miles ahead, making all sail and steam to effect their escape.

At 9 A.M., the Paraeuse, casting off her tow-rope from the corvette, gained greatly upon the American vessels. An action appeared certain to every one; but the wind began to fail.

The steamer Florida, which up to that time was being towed, began to steam, and, with the Wachusett, to gain very fast on our vessels.

The latter continued the chase, and the steamers to run, until they finally went out of sight. Being in shoal water, and losing sight of the fugitive, they gave up the chase at 11 15.

As a matter of interest in this connection, we give the following official manifesto of the Brazilian Government, issued in June, 1863. By it we may learn the nature of the neutrality determined on and practised by Brazil during our present war:

OFFICIAL CIRCULAR TO THE GOVERNORS OF THE PROVINCES.

Ministry of Foreign Affairs, Rio Janeiro, June 23, 1863.

Most Illustrious and Excellent Sir.—With the view of giving wider circulation to the directions issued from this bureau on the 1st of August, 1861, in which are set forth the principles regulating the neutrality which the imperial government has resolved to assume in view of the struggle in the United States of North America, as well to explain some of those principles as to indicate in general the cases in which neutrality shall be considered violated and the manner of making it effective, his Majesty the Emperor desires to give your Excellency the following instructions for your information and due execution:—

By the words, "except in case of compulsory arrival," mentioned in the circular alluded to, it must also be understood,

That the vessel shall not be obliged to leave port within the period of twenty-four hours if she has not been able to effect such preparations as are absolutely necessary to put to sea without risk or danger of being lost.

The same rule will apply in case of bad weather.

And, finally, in case the vessel is pursued by the enemy.

In emergencies of this kind it will be the duty of the Governors at court and the Presidents of the provinces to determine, in view of the circumstances, the time at which the vessel should sail.

The privateers, it always being understood that they conduct no prizes, shall not be admitted into the ports of the empire for more than twenty-four hours, except in case of compulsory arrival. (*Salvo o caso de arribada forçada*)

Prizes to which the circular of the 1st of August refers are vessels captured by the belligerents or by the privateers, so that the penalty imposed on those who may conduct prizes shall not be applicable to those who may only be found carrying objects from prizes; but in no case will such objects be allowed to be disposed of.

In conformity with the above mentioned circular, belligerent vessels cannot receive in the ports of the empire anything except such food and naval stores as they may absolutely need, or to take any other measures for the continuation of their voyage. This disposition presupposes that the vessel is destined for some given point, and that only on her course and of necessity she has to enter a port of the empire.

This provision of the circular will not be carried out, however, if the same vessel shall frequently enter a port, or if, after being provisioned in one port, she shall immediately enter another on similar pretences, except in undoubted cases of superior force.

Such frequency of visits, without sufficient reason to justify it, must authorize a suspicion that the vessel is not on a lawful voyage, but that she is cruising in the adjacent waters of the empire to capture hostile vessels.

The aid and assistance which in such a case is given to one of the belligerents must be qualified as aid or favor given against the other, and, therefore, is a violation of our declared neutrality.

Consequently it is declared that a vessel which has once entered one of our ports shall not be received in the same port, or in another shortly after having entered the first, to receive food, naval stores, or for any other purpose, except in cases duly proved of superior force, unless after a reasonable space of time, by which it might be made to appear that the vessel had left the costs of the empire, and that she only returned after completing the voyage she had undertaken.

For the same motives as are herein expressed it will not be permitted in any of the ports of this empire that belligerent vessels shall receive goods imported directly for them in ships of any nation; for this would show that the belligerents do not seek to use our ports on their voyages and in cases of necessity unforeseen, but with the view of remaining in proximity to the costs of the empire, taking in advance the precautions necessary for the prosecution of their enterprises. The toleration of such abuse would be equivalent to permitting the ports of the empire to be used by the belligerents as a base of operations.

The principles of the circular of the 1st of August being thus explained, it follows that the ports, bays and harbors of the empire will be open to the belligerents on the following conditions:—

1. Ships-of-war admitted into a port or harbor must observe the most perfect tranquility and complete peace with all vessels that may be in port, whether they be war vessels or ships owned as such by their enemies.

2. They shall not be permitted to increase their crew or employ sailors of any nationality whatever, their own countrymen included.

3. They shall not be permitted to increase the number or the calibre of their artillery; nor, under any circumstances, to purchase or embark portable arms or munitions of war.

4. They shall not make use of the ports or harbors, or of the capes on territorial seas of the empire, to watch for inimical vessels that may enter or sail from our ports; nor procure information respecting those that may be expected

or are about to sail; nor shall they be permitted to make sail in chase of any enemy's vessel that may be in sight or signalled.

5. They shall not sail immediately after the departure of a vessel belonging to an inimical or neutral nation. If the vessel which sails first as well as that which proposes to follow be both sailing vessels or steamers, twenty-four hours shall be allowed to elapse between the departure of the one and the other; but if the vessel that sails first be a sailing ship and the other a steamer, the latter shall not leave until seventy-two hours afterwards.

6. During their stay in port the belligerents shall not attempt, by force or stratagem, to retake prisoners made of their fellow citizens who may be found in the same asylum, or to liberate prisoners of their nation.

7. They shall not be allowed into a neutral port to sell or dispose of prizes made from their enemy until the lawfulness of the prize shall be decided by the competent tribunals.

It is to be understood that the infraction of either of these seven conditions will constitute a violation of the neutrality of the empire, subjecting those who infract it to the penalties therein declared.

And to make our neutrality effective, preventing and repressing those abuses which are being practised, the following means should be employed:—

1. To ascertain, before conceding an asylum, the character of the vessel and her antecedents in other ports of the empire, so that it may be decided whether the vessel shall be allowed to enter or remain, and for this purpose all vigilance should be used.

2. To observe the anchorage where the vessel may be, under the immediate surveillance of the police, and to watch for suspicious circumstances and places.

3. To keep a proper guard from the entrance to the sailing of the belligerent over the movements of the vessel, and to ascertain the character of all the articles that may be embarked.

4. To direct the police not to allow the landing for sale of any goods taken from prizes.

5. To prevent them from making prizes in the territorial waters of the empire, using force if necessary; and if any prizes be taken in these imperial waters they will be retaken by the forces of the government and restored to their lawful owners, as no sale of such goods can be considered legitimate.

6. No belligerent will be admitted into our ports which has once violated the laws of neutrality.

7. To compel every vessel that attempts to violate neutrality to leave the territorial waters of the empire instantly.

8. Finally to use force, and in default of a sufficiency thereto, to protest solemnly and energetically against the belligerent, who, being informed and warned, does not desist from a violation of neutrality, ordering the forts and war vessels to fire on the belligerent who attacks his enemy on our territory, and on the armed vessel which attempts to sail before the time defined after the sailing of a vessel belonging to the other belligerent.

And inasmuch as the steamer Alabama, of the Confederate States, has openly violated the neutrality of our empire, infringing the dispositions of our circular of the 1st of August, 1861, making the Island of Rita the base of her operations for the purpose of carrying prizes there, and sailing thence to make others, which she has caused to be burned after keeping them some days in the anchorage of the said island, his Majesty the Emperor has ordained that the said steamer shall never again be received into any port of the empire.

I renew to your Excellency the assurances of my greatest esteem and high consideration.

THE MARQUIS OF ABRANTES.

To His Excellency the President, &c., &c.

COMMERCE OF THE LAKES.

In the Report of the Chamber of Commerce of Buffalo for 1863 we have the following review of the commerce of the lakes, showing its rapid development:

The French in 1678 selected sites for the first trading posts; which was the commencement of the immense fur trade with the natives at the extremities of these lakes, first carried on by them, and afterwards by the English. In the following year the Chevalier de La Salle, on the 7th day of August, set sail in a small vessel named the "Griffin," (which by the permission of the Seneca Indians had been built at Cayuga Creek, six miles above Niagara Falls,) with a crew of thirty men, destined for Mackinac, at which place he arrived on the 28th day of the same month. The "Griffin" was laden with a cargo of furs, and with a crew of six men was ordered to return to Niagara. Encountering a storm she was lost with all her crew. She was the first vessel moved by sails on the waters of these lakes. Then every portion of the Great West was covered with its ancient forests. The sounds of the echoing axe or "church going bells" had never rung through their solitudes, and the battle for mastery was yet undecided between the wild beast and his wilder foe, the savage hunter.

Nearly a century later, "August 28, 1763, the sloop 'Beaver' was lost at Cat Fish Creek, fourteen miles up Lake Erie." This vessel, with her consort, the "Gladwin," left Detroit on the 13th of August to procure troops and supplies for the fort, then beseiged by Pontiac, and arrived at Fort Erie on the 22d day of the same month. When the "Beaver" was wrecked, her guns were lost, and all her cargo, except 185 barrels of provisions, which were taken by the "Gladwin" to Detroit, where she arrived on the 3d of September, with a cargo of 160 barrels of pork and 47 barrels of flour, which came to Fort Erie from New York, by the way of Oswego and Niagara, and was carted around the falls over a road built by Stedman, and finished June 20th, 1763. When the "Gladwin" arrived in Detroit River she was attacked by 340 Indians, embarked in canoes, who cut her cable, tried to cut holes in her stern, killed Captain Horsey and another. These were the only vessels on the lakes at this time, of which there is any known record. In 1764, there is a record of arrivals and departures at and from Detroit, of the "Victory," "Boston," "Royal Charlotte," and "Gladwin." During this year the "Gladwin" made one trip to Mackinac, and three or four trips each were made between Detroit and Fort Erie. Such was the commerce of the lakes a hundred years ago. Forty-eight years later, in 1812, there were only twelve vessels on all the lakes. From a pamphlet published by James L. Barton, Esq., in 1846, the following is taken: "The steamboat 'Walk-in-the-Water' was built and first went on Lake Erie in the month of August, 1818." The Detroit *Gazette* of May 14th, 1819, published the following, taken from the New York *Mercantile Advertiser:* "The swift steamboat 'Walk-on-the-Water' (her great speed may be judged of when it required ten days to make her trip to and from Buffalo to Detroit) is intended to make a voyage early in the summer from Buffalo, on Lake Erie, to Michilimackinac, on Lake Huron, for conveyance of company." She was the first and only steamboat on the lakes above Niagara Falls. She made an annual trip to Mackinac to carry up the American Fur Company's goods, in the years 1820 and 1821, but was wrecked in November, of the latter year. There was a small steamboat called the "Ontario," on Lake Ontario, that was built and launched in 1817. These were the only steamboats at this time on all the lakes. The loss of the "Walk-in-the-Water" was supplied by a new steamer named the "Superio," which was built and launched in 1822. In 1826 or 1827, a pleasure party went to Green Bay from Buffalo, by a steamboat, which was the first steam vessel that ever entered Lake Michigan. In 1845 there were owned and running on the lakes,

above Niagara Falls, 52 steamboats, 8 propellers, 50 brigs, 270 schooners, making three hundred and eighty vessels of all classes, with an aggregate tonnage of 76,000 tons.

There are now in commission, and engaged in the trade of the lakes, 1,870 vessels of all classes, with an aggregate tonnage of 470,034 tons, valued at $16,720,800. The first vessel registered in the district of Buffalo Creek, was a small schooner named the "Hannah," of 48 73-95 tons, built by CHARLES TOWNSEND, GEORGE COIT, and OLIVER COIT, the last named as master. The date of register is May 26, 1817. There are now registered in the district of Buffalo Creek, 307 vessels of all classes, with an aggregate tonnage of 96,156 tons.

Prior to the opening of the Erie Canal, in 1825, the trade upon the lakes was of little moment, and can scarcely be dignified with the name of commerce. No record is known to exist of the amount of trade on the lakes prior to 1815. In that year the number of arrivals and departures of vessels at and from Buffalo was 64. In 1863 the number of arrivals and departures at and from Buffalo was 15,376.

"In 1835, the following description of property came from the State of Ohio, being then the only exporting State on these lakes, and passed through Buffalo via the Erie Canal, to tide water, viz.: 86,233 barrels of flour, 98,071 bushels of wheat, 2,565,272 pounds of staves, 6,562 barrels of provisions, 4,410 barrels of ashes, 149,911 pounds of wool."

"In 1845 the exports of Ohio and other States around the lakes, sent off by the same channel, were 717,466 barrels of flour; 1,354,990 bushels of wheat; 88,296,431 pounds of staves; 68,000 barrels of provisions; 34,602 barrels of ashes; 2,957,761 pounds of wool."

In 1856 the receipts at Buffalo were 1,211,189 barrels of flour; 8,465,671 bushels of wheat; 9,632,477 bushels of corn; 2,025,519 bushels of other grains, making an aggregate, including flour estimated as wheat, allowing five bushels for each barrel of flour, of 26,239,791 bushels.

In 1862 the receipts at Buffalo were 2,739,818 barrels of flour; 30,450,255 bushels of wheat; 24,288,623 bushels of corn; 2,634,730 bushels of oats; and 1,091,326 bushels of other grain—making an aggregate of 72,164,024 bushels, including flour.

In 1800, in all the territory west of New York and Pennsylvania and northwest of the Ohio River, there were no considerable settlements, except in Ohio, which was then a territory containing a population of only 45,365. There was, by the census of 1860, in the lake basin, a population of 9,474,358, against 4,100,425 in 1840, and 6,080,609 in 1850.

The cereal product of the lake basin States was, in

1840	bush.	267,265,877
1850		484,862,661
1860		679,031,559
1862	(estimated)	900,000,000

In 1840 the surplus cereals moved to the seaboard out of the lake basin was about 5,000,000 of bushels, against 145,000,000 bushels in 1862.

The Erie Canal and the Mississippi River were, from 1825 to 1838, the only avenues of transportation for the products of the West to the seaboard. The surplus cereal products exported from those States bordering on Lake Erie, including flour estimated as wheat, were all included in the receipts at Buffalo, which receipts in 1836 were only 1,239,351 bushels.

The first grain received at Buffalo from Lake Michigan was in 1836, being a small cargo of 3,000 bushels of wheat from Grand Haven, Michigan, by the brig John Kinzie, R. C. BRISTOL, Master. The first grain received at Buffalo from Chicago, was a small cargo of 1,678 bushels of wheat, shipped by NEWBURY and DOLE of Chicago, October 8, 1839, on the brig Osceola, FRANCIS P. BILLINGS, master, and consigned to KINGMAN and DURFEE, Black Rock, now North Buffalo.

In the year 1862 the surplus cereals exported from Lake Michigan, were from

Chicago	bush.	57,676,741
Milwaukee		18,723,000
Other ports (estimated)		10,000,000
Total		86,399,741

Such are the changes of less than twenty-five years. With such results before us, what may we reasonably expect will be the increase of the next succeeding twenty-five years, when all the circumstances are so much more favorable than were those of twenty-five years ago? The States bordering and tributary to the lakes, embracing Ohio, Indiana, Michigan, Wisconsin, Illinois, Minnesota, Iowa, Missouri, Kansas, Kentucky, Nebraska, and Dakota, have an area of 501,027,260 acres; only 56,221,908 of which were improved lands in 1860, against 26,680,340 acres in 1850. In the single decade from 1850 to 1860 no less than 25,146,341 additional acres were taken from forest and prairie and turned into farms. During this decade the population had increased 3,393,749, being 55 8-10 per cent, or an annual increase of over 5½ per cent.

The annual increase in the population of the whole of the United States, since 1790, has been three per cent and a fraction. By this rule, which has proved correct through seven decades, applied to the remaining portion of this century, the population will be upwards of one hundred millions in 1900.

If this fertile region of the country shall continue to increase in population, at the same rate per cent for the remaining portion of the century, that it has during the last decade, more than half of the population of the United States in the year 1900 will be in the valleys of the lakes and the Mississippi.

The progress in internal improvements in these northwestern States, shows stupendous results. There were twenty-eight miles of railway in 1840; 1,354 in 1850; 11,782 miles in 1860. In 1830 these States had no artificial canals. In 1860, there were completed and in operation 1,556 miles of canals, besides nearly one thousand miles of slack-water navigation, answering all the purposes of canals.

Within the present limits of the United States and Territories there are three millions of square miles, which may be geographically divided as follows:

Pacific slope	square miles	750,000
Mississippi and lake valleys		1,350,000
Atlantic and gulf slopes		900,000

This great middle division of 1,350,000 square miles, embracing nearly one-half the national domain, is drained by the Mississippi and its tributaries, and the Great Lakes; the waters of the former finding an outlet in the Gulf of Mexico, and the latter in the Gulf of St. Lawrence, through the River St. Lawrence, extending through 20 degrees of latitude and 30 degrees of longitude.

This vast area of country abounds with extensive deposits of iron, coal, copper, lead, gold, silver, and quicksilver; the coal being always near the iron deposits, and the quicksilver, near those of gold and silver: the former being necessary for the manufacture of the iron, and the latter for economizing the gathering of the more precious metals.

The rich alluvial soil of the Lake and Mississippi Valleys will make the richest and most productive agricultural district in the world. By the year 1900, the fifty millions of people inhabiting these valleys, dividing their labor between agriculture, manufactures, and trade, promoted and advanced by the productive wealth of the gold and silver mines of the Pacific slope, will, from necessity, give life and vigor to a domestic commerce that will be equal to that of all Europe, and from which will result a more extended foreign commerce than has ever been the lot of any nation to enjoy.

There is no country on earth that has so many natural advantages for a large

and extended internal trade, or can be so easily made available by artificial aids, as the great West and northwest. The Mississippi River and its tributaries, the Missouri and its tributaries, the Ohio, the Tennessee, the Cumberland, the Red River, the Arkansas, embracing many thousands of miles of river navigation, can, by the construction of a ship canal of less than a mile, from Big Stone Lake to Lake Traver, in Minnesota, be navigably connected with the Great Red River of northwest British America. This river is navigable seven hundred miles to Lake Winnipeg. This lake receives the Saskatchawan, which is navigable seven hundred miles to a point (Edmonston House) within one hundred and fifty miles of the gold mines of British Columbia.

"A report to the New York Chamber of Commerce made in 1858, announces that the region of Lake Winnipeg, like the valley of the Mississippi, is distinguished for the fertility of its soil, and for the extent and gentle slope of its great plains, watered by rivers of great length, and admirably adapted to steam navigation."

"It will, in all respects, compare favorably with some of the most densely peopled portions of Europe. In other words, it is admirably fitted to become the seat of a numerous, hardy, and prosperous community. It has an area equal to eight or ten first class American States. Its great river, the Saskatchawan, carries a navigable water line to the base of the Rocky Mountains. The navigable waters of this great sub-division interlock with those of the Mississippi. The Red River of the North, in connection with Lake Winnipeg, is navigable for eight hundred miles directly north and south, and is one of the best adapted for steam in the world, and waters one of the finest regions on the continent. Between its head waters and St. Paul, in Minnesota, a railroad is in process of construction, which, when completed, will open a half million of square miles of territory for settlement."

The commerce of Minnesota, with Selkirk and Saskatchawan, doubled in 1860. The Carriboo is rapidly filling up with a mining population. This will necessitate the prompt organization and settlement of British America, that is, of the plains of the river basins, converging to Lake Winnipeg, and closely connected with our northwestern States. What all this vast region is to Minnesota now, all of the country west of New York and Pennsylvania, east of the Mississippi and northwest of the Ohio River, was to the Middle States, fifty years ago.

The improvement of the Fox River, which can be done at comparative small cost, will make a navigable highway from Green Bay to the Mississippi River. The enlargement of the Illinois Canal, and the improvement of the Illinois River, will make still another navigable highway between the Great Lakes and the Father of Waters.

These connecting links in the great internal water highway being completed, the proposed improvement of the Canadian canals will, when accomplished, extend an arm of the sea from the Gulf St. Lawrence into the heart of the great West, while from the sunny South comes another arm from the Gulf Mexico.

Between these two great water highways is a projected canal from the Ohio River, through Virginia to the ocean; besides the Pennsylvania canals, and the canal system of New York, with its trunk lines, the Erie and Oswego. New York need never very much fear this Southern arm of the ocean, but the Northern arm has power now, and when the plans and purposes of the Canadian Provinces shall have been carried out, there will be such an augmented power as to sweep onward to the ocean, via the St. Lawrence, nearly all the vast prospective commerce, the infancy of which has been shared by the Empire State.

CANADIAN CONFEDERATION.—THE PROPOSED CONSTITUTION.

THE papers of Canada publish the following as the result of the deliberations of the Conference:

1st. That a federal union with the crown of Great Britain at the head is the arrangement the best fitted to protect the existing interests and to promote in the future the prosperity of British North America, provided always that such union may be effected upon principles of equity towards the different provinces.

2d. That the system of federation for the provinces of British North America is the best adapted in present circumstances for the protection of the varied interests of the several provinces; and the most fit to produce efficiency, harmony, and permanence, in the working of the union, will be a general government and parliament, which will have the control of affairs common to all the country, with local legislatures and government for each of the Canadas, Nova Scotia, New Brunswick, and the Island of Prince Edward. These local governments and legislatures to have control respectively of local affairs. The admission into the union on equitable terms of the province of Newfoundland, the Northwest Territory, Vancouver's Island, and British Columbia, is to be provided for.

3d. The federal government and parliament are to be formed in so far as circumstances may permit on the model of the British constitution, the convention desiring thus to express its desire of perpetuating the ties which unite us to the mother country, and to serve more efficiently the interests of the populations of the different provinces.

4th. The executive power will reside in the sovereign of Great Britain, and will be administered by the sovereign or his representative, according to the principles of the British constitution.

5th. The sovereign or his representative will be the Commander-in-Chief of the forces by land and sea.

6th. There shall be for all the confederated provinces one general Parliament composed of a Legislative Council, and a House of Commons.

7th. In order to form the Legislative Council, the provinces shall be divided into three parts; the first shall comprise Upper Canada; the second Lower Canada; and the third Nova Scotia, New Brunswick, and Prince Edward's Island. These three parts shall be represented by equal numbers in the Legislative Council. In this manner Upper Canada will have 24 Councillors; Lower Canada 24; and the three maritime provinces 24, of whom 10 will be for Nova Scotia; 10 for New Brunswick, and 4 for Prince Edward's Island.

8th. Newfoundland on entering the union, will have the right to four Legislative Councillors.

9th. The conditions of admission into the union of the Northwest Territory, British Columbia, and Vancouver's Island, shall be determined upon by the Federal Parliament and approved by Her Majesty, and with regard to the admission and conditions of admission of British Columbia or Vancouver's Island, the consent of the local legislatures will be necessary.

10th. Legislative councillors are to be named for life by the crown, under the great seal of the general government. Legislative Councillors shall lose their seats by the fact of a continued absence during two years consecutively.

11th. Legislative Councillors must be born or naturalized British subjects, of thirty years of age, and possessed of and continuing to be possessed of real property of the value of $4,000, free from all incumbrances. But with respect to Newfoundland and Prince Edward's Island, the property may be real or personal.

12th. The Legislative Council shall have the decision of all questions relative to the eligibility or want of eligibility of its members.

13th. The first Legislative Councillors shall be taken from the existing Legislative Councils of the different provinces, except Prince Edward's Island. If a sufficient number of Councillors shall not be found eligible or willing to serve, the complement must necessarily be found elsewhere.

These Councillors are to be named by the crown on the recommendation of the general government, on the presentation of the respective local governments. In the nomination regard is to be had to Legislative Councillors representing the opposition in each province, in order that all political parties should be as much as possible proportionably and equitably represented in the Federal Legislative Council.

14th. The President of the Legislative Council, until it shall have been otherwise decided by the general Parliament, shall be chosen from among the Legislative Councillors by the crown; who may remove him at pleasure. He is to have only a casting vote.

15th. Each of the twenty-four Legislative Councillors who are to represent Lower Canada in the Legislative Council of the Federal Legislature shall be named to represent one of the electoral divisions named in schedule A, chap. 1 of the consolidated statutes of Canada, and such Councillor must reside or possess his qualification in the division whose representation is to be assigned to him.

16th. The representation in the Federal House of Commons shall have for its basis, the population determined by the official census taken every ten years and the number of representatives shall be at first as follows:

Upper Canada shall have	82
Lower Canada	65
Nova Scotia	19
New Brunswick	15
Newfoundland	8
Prince Edward's Island	5

17th. There shall be no change in the representation of the different provinces before the census of 1871.

18th. Immediately after the census of 1871, and every subsequent decennial census, the representation of each of the provinces in the House of Commons, shall be repartitioned on the basis of population.

19th. Lower Canada shall never have more or less than sixty-five representatives, and the other provinces shall have, after the census, the proportion of representation to which each shall have the right; taking for basis of calculation, the total of the representation of Lower Canada.

20th. There shall be no reduction in the number of representatives elected for any one province, unless the total of its population shall have decreased to the extent of five per cent or more, in comparison with the total of the population of the Confederate Provinces.

21st. In computing the number of representatives at each decennial period, no regard shall be had for fractions except when they exceed half the number which would give them right to a representative, and then these fractions shall have a right to a representative.

22d. The legislatures of the different provinces shall divide their provinces respectively into counties, and shall define the limits thereof.

23d. The Federal Parliament may increase the number of its members when it shall think proper, but must preserve the proportions then existing.

24th. The local legislatures may from time to time change the electoral districts for the purpose of representation in the federal House of Commons, and may redistribute, in such manner as may be thought advisable, the representatives to whom they may respectively be entitled in the federal House of Commons.

25th. Until it shall be otherwise decided by the federal Parliament all the laws on the following subjects which shall be in force in the several provinces at the date of the proclamation of the union, shall continue to be in force, viz., the

laws relative to the qualification or non-qualification of persons to sit and vote in the Legislative Assemblies of each province, as well as those which regard the capacity or incapacity of voters, and oaths imposed upon voters; those relating to returning officers, their powers and duties; to elections; to the time which elections are to last; to contested elections and proceedings incident thereto; to the vacating of seats; to the issuing and execution of new writs in case of vacancies arising from causes other than the dissolution of Parliament; all of which shall be applicable to the elections of members of the federal House of Commons according to the province for which they may be elected.

26th. The duration of Parliament shall be for five years, unless it shall be previously dissolved by the Governor-General.

27th. There shall never be a greater lapse of time than one year between the end of one federal session and the beginning of another.

28th. The general Parliament shall have power to make laws for the peace, welfare, and good government of the Confederated Provinces, but always without prejudice to the sovereignty of Great Britain.

29th. The following subjects shall be placed especially under its control:

The public debt and property.

Trade and commerce.

Duties on imports and exports, except on the export of squared timber, logs, masts, spars, planks, sawed lumber, coal, and other minerals.

Excise duties.

The raising of money by any other mode or system of taxation.

Loans of money on public credit.

The postal service.

Steamboat or other shipping companies, railroads; canals, and other works connecting two or more provinces, or which are prolonged beyond the limits of one of them.

Steamers navigating between the confederated provinces and other countries; telegraphic communications, and the incorporation of telegraphic companies.

All other works which; though situated in the province, shall be declared in their acts of incorporation to be for the general benefit.

The census.

The Militia, defences, and the military and naval services.

Marks, buoys, and lighthouses, navigation and shipping.

Quarantine.

Sea and inland fisheries.

Navigable waters between one province and a foreign country, or between two provinces.

Coin and coinage of money.

Banks of issue.

Savings banks.

Weights and measures.

Bills of exchange and promissory notes.

Interest.

Legal tenders.

Bankruptcy and insolvency.

Patents of invention and discovery.

Copyrights.

Indians and Indian reserves.

Naturalization and aliens.

Marriage and divorce.

The criminal law, (except the constitution of the courts of criminal jurisdiction,) comprising the procedure in criminal cases.

The power of making uniform all the laws relative to property and civil rights in Upper Canada, Nova Scotia, New Brunswick, Prince Edward's Island, and Newfoundland, as well as the procedure in all the courts of these provinces. But no statute which the federal Parliament shall pass for this purpose shall have

force or authority in any of these provinces until it shall have received the sanction of the local Legislature.

The establishment of a general Court of Appeals for all the confederated provinces.

Emigration.

Agriculture.

And in general all matters of a general character, not especially and exclusively reserved for the control of the local governments and legislatures.

30th. The general government and Parliament shall have all the necessary powers as a portion of the British Empire, to fulfil towards foreign countries the obligations arising from treaties, existing, or which may exist between Great Britain and these countries.

31st. The federal Parliament for the purpose of executing its laws may, when it shall think fit, create new judicial tribunals, and the federal government may consequently appoint new judges and officers, if that shall become necessary or advantageous for the public.

32d. All the courts, judges, and officers of the different provinces are to aid the general government, and to obey it in the exercise of its rights and powers; and for these purposes there shall be general courts, judges, and officers of government.

33d. The general government shall appoint and pay the judges of the Superior Courts in the different provinces, and the County Courts in Upper Canada. The Federal Parliament shall fix their salaries.

34th. Until the lands of Upper Canada, New Brunswick, Nova Scotia, Newfoundland, and Prince Edward's Island shall have been consolidated, the judges of these provinces, who are to be named by the general government, shall be taken from their respective bars.

35th. The judges of the courts of Lower Canada shall be selected from the advocates of the Lower Canada bar.

36th. The judges of the Courts of Admiralty, who now receive salaries, shall be paid by the general government.

37th. The judges of the Superior Courts shall hold their offices during good behavior, but they may be dismissed only on an address of the two houses of the Federal Parliament.

38th. Each province shall have an executive officer called a Lieutenant-Governor, who shall be named by the Governor-General in Council, under the great seal of the confederate provinces, and during good pleasure; but this good pleasure must not be exercised before the lapse of five years unless for cause, which cause must be communicated in writing to the Lieutenant-Governor immediately after his dismissial, and also by a message to the two houses of the Federal Parliament in the first week of the next following session.

39th. The Lieutenant-Governors shall be paid by the general government.

40th. The Convention in thus regulating the salaries of the Lieutenant-Governors does not intend to prejudice the claim of Prince Edward's Island on the imperial Parliament for the salary now paid its Lieutenant-Governor.

41st. The governments and parliaments of the different provinces shall be constituted in the manner in which their existing legislatures shall respectively judge most fitting.

42d. The local legislatures shall have power from time to time to amend or change their constitution.

43d. The local legislatures shall have power to make laws on the following subjects, viz.:

Direct taxation and the imposition of export duties on square timber, logs, masts, spars, deals, sawed lumber, coals, and other minerals. This right to levy export duties is reserved to New Brunswick and Nova Scotia.

Loans of money on the credit of their province.

The creation and tenure of local offices, and the appointment and payment of local officers.

Agriculture.

Immigration.

Education (excepting the rights and privileges which the Catholic and Protestant minorities may possess with respect to separate schools in the two Canadas at the moment of the union.)

The sale and regulation of public lands other than those belonging to the general government.

Sea and inland fisheries.

The establishment, maintenance, and regulation of penitentiaries and reformatories.

The establishment, maintenance, and management of the hospitals, asylums, and all kinds of charitable institutions.

Shop, tavern, auctioneers, and other licenses.

Local works.

The incorporation of private or local companies conjointly with the Federal Government.

Property and civil rights, with the exception of those placed under the General Government.

Punishment by fines, penalties and imprisonment, for breaches of laws within their legislative jurisdiction.

The administration of justice, comprehending the constitution, maintenance, and organization of courts of civil and criminal jurisdiction, as well as the procedure on civil cases.

And generally all matters of a private or local nature.

44th. The power of pardoning criminals, of reprieving, commuting, or remitting their sentences in whole or part, which power belonging of right to the crown shall reside in the person of the lieutenant-governors in council; but these last must obey the instructions which may from time to time be addressed to them in this respect by the general government as well as the laws passed by the general parliament.

45th. With respect to all questions in which the federal and local legislatures have a concurrent control, the laws of the general parliament are to be supreme over those of the local legislatures. The laws of the latter will be null and void when they may conflict with those of the general parliament.

46th. The English and French language may be employed simultaneously in the deliberations of the Federal Parliament, as well as in the Legislature of Lower Canada, the Federal courts, and the courts of Lower Canada.

47th. No taxes are to be imposed on public properties belonging to the federal or local governments.

48th. Every bill, having for its object, the appropriation of any portion of the public revenue, the creation of new taxes, or imposts, must originate in the Federal House of Commons or the local Legislative Assembly, as the case may be.

49th. Every vote, resolution, address, or bill of the Federal House of Commons, or any local Legislative Assembly, having for object the appropriation of any part whatever of the revenue, or the creation of taxes or imposts, must be preceded by a message from the Governor General or the Lieutenant Governor, as the case may be; and the message must be laid before the house during the same session in which such vote, resolution, address or bill shall be passed.

50th. Any bill of the general Legislature will be subject to rejection by Her Majesty during the two years following its passation; and those of the local governments during the twelve months following their adoption.

51st. Ottawa is to be the seat of the Federal government; but the royal prerogative is saved in respect to the fixing of the general government.

52nd. Toronto is chosen for the seat of the Upper Canadian Government, and Quebec for that of the government of Lower Canada. There is to be no change as to the local seats of Government for the other provinces.

53rd. All stocks, cash, the balances in the hands of bankers, and every other

value in cash belonging to the various provinces, at the time of the union, shall belong to the general government.

54th. The public works and properties following, belonging to the different provinces, shall belong to the general government, viz. :

The canals.

Public harbors.

Light houses, piers and wharfs.

Steamboats, dredges, and other public vessels.

Improvements in rivers and lakes.

Railways and railway shares.

Mortgages and other debts to the province due by the railway companies.

Custom-houses, post-offices, and other public buildings, except those reserved by the general government for the use of the local legislatures and governments.

Ordnance property transferred to the Colonies by the imperial government.

Arsenals, drill-rooms, and military clothing, accoutrements, and ammunition.

Lands reserved for public purposes.

55th. All the lands, mines, minerals, and royal prerogatives belonging to Her Majesty in the provinces of Upper Canada, Lower Canada, New Brunswick, Nova Scotia, and Prince Edward's Island, for the use of those provinces, will belong respectively to the local governments of the territories where they are situated ; subject nevertheless to the trusts and interests of third parties therein.

56th. All sums of money due by the purchasers or lessees of these lands, mines, and minerals at the period of the union will also belong to the local governments.

57th. The different provinces will remain respectively in possession of all other public properties which may be found within them ; but the confederation will have the right to take such lands and public properties as it may require for the fortification or defence of the country.

58th. All effects relating to the portions of the public debts of the provinces with which the local governments are charged, will also belong respectively to the governments.

59th. The general government will assume all the debts and obligations of the different provinces.

60th. The debt of Canada so far as it is not specially attributed to Upper or Lower Canada, retpectively, is not at the time of the union to exceed $62,500,000; that of Nova Scotia $8,000,000; and that of New Brunswick $7,000,000.

61st. But if Nova Scotia and New Brunswick do not contract obligations exceeding those to which these provinces are now liable, and if these obligations shall be respectively less than seven and eight millions at the time of the union, they shall be entitled annually to 5 per cent. on the difference which may exist between the total capital of their obligations and the sums of eight and seven millions respectively. There is a like provision for Newfoundland and Prince Edward's Island.

The foregoing is not intended to restrain the powers which the governments of these provinces possess through their legislatures; but simply to limit the debts which they will be allowed to bring into the account against the general government. But the respective legislatures, after the expiration of five years from the date of the union, will have no power to contract the obligations just spoken of.

62nd. As Newfoundland and the Island of Prince Edward have not contracted debts equal to those of the other provinces, they will have the right to receive an advance from the general government in semi-annual payments of an amount equal to the interest at 5 per cent. on the difference between the amount of their respective debts at the date of the union, and the average of the debt per head of the population of Canada, Nova Scotia and New Brunswick at the same date.

63rd. In consideration of the transference of the power of taxation to the

general legislature, the provinces are to have the right respectively to a grant of 80 centimes per head of the population computed on the population of 1861. The population of Newfoundland is estimated for this purpose at 130,000 souls. The provinces will not be able to claim more from the general governments for local objects, and this aid is to be paid them semi-annually and in advance.

64th. As the condition of New Brunswick is such that that province must expend immediately a considerable amount from her local revenue, that province is to receive annually during ten years an additional sum of $63,000. But so long as her obligations shall remain below $7,000,000, there shall be deducted from this sum of $63,000 an amount equal to the interest of 5 per cent. on the difference between the capital sum of the provisional debt and $7,000,000.

65th. Newfoundland for abandoning her rights on her mines, minerals, and crown lands, which are not yet sold or occupied, shall receive annually $150,000 in semi-annual payments. But that province reserves the right to open, construct and control her roads and bridges situated on these lands, which, however, shall be subject to the laws, in that respect, which the general government shall think ought to be enacted.

66th. The general government is to assume all the engagements which may have been undertaken before the union with the imperial government, for the defence of the provinces.

67th. The general government is to cause to be completed without delay, the intercolonial railway between River du Loup and Truro in Nova Scotia, making it pass through New Brunswick.

68th. The convention attaching the highest importance for the confederate provinces to the communication with the north-west territories, and to the ameliorations necessary for the development of the commerce between the great west and the sea, engages itself to give effect to these as soon as the state of the finances will permit.

69th. The sanction of the imperial parliament and of the local parliaments is to be sought for the union of the provinces, on the principles adopted by the convention.

70th. The choice of the title and of the name of the confederation is left to the decision of Her Majesty.

71st. The deliberations of the convention shall be signed by the delegates and submitted by each local delegation to its government; and the president of the convention is authorized to submit a copy to the Governor-General, in order that he may transmit it to the Secretary of State for the Colonies.

COMMERCIAL REGULATIONS.

DECISIONS OF THE TREASURY DEPARTMENT UNDER THE TARIFF ACTS.

THE following decisions have been made by the Secretary of the Treasury, of questions arising upon appeals by importers from the decisions of collectors, relating to the proper classification, under the tariff acts, of certain articles of foreign manufacture and production, entered at the ports of New York, Boston, &c.:—

OLD BULLETS, (MOLTEN LEAD.)

Treasury Department, March 24, 1864.

SIR:

Your appeal is received, dated March 1, 1864, from the decision of the collector at Rouse's Point, assessing duty at 1¼ cents per pound on 101,332 lbs. of

lead imported by you from Montreal, and transported to the district of Boston and Charlestown in bond.

You claim "that the same is not lead in pigs and bars within the commercial signification of the term, but should pay one cent per pound as old lead, the said lead being in fact old bullets sold by Candiana military authorities, and molten, that same may be sent to United States without violation of British neutrality."

Under section 1 of act of 5th August, 1861, a duty of 1½ cents per pound is imposed on "lead in pigs or bars."

By virtue of the 20th section of act of August, 1842, molten lead, in any shape, not further advanced in manipulation or design than "lead in bars or pigs," should pay duty as of such classification, being entirely of the same character as if it were in bars or pigs.

The decision of the collector is hereby affirmed.

I am, very respectfully,

S. P. CHASE,
Secretary of the Treasury.

To SAMUEL B. LOCKE, Esq,
Boston, Mass.

ORCHELLA WEED, SO STYLED.

Treasury Department, April 22, 1864.

SIR:

JOHN BOYD, Jr., has appealed from your decision assessing duty, at the rate of 10 per cent ad valorem, on certain (so-styled) "orchella weed," imported by him, and alleges:

"The tariff act, in my opinion, allows this article to entry duty free, and imposes a duty of 10 per cent ad valorem on 'orchella' and 'cudbear,' two manufactured articles. Whereas 'orchella weed,' the article in question, is a crude article of no use whatever, except to manufacture, by a slow and expensive operation, into the two articles above-named, viz.: 'orchella and cudbear'—vegetable dyes. It cannot be the intention of the law to impose the same duty upon a perfectly crude article, as it does upon the articles manufactured from that crude material."

Under the 23d section of the act of March, 1861, "cudbear, vegetable, and orchil," were admitted to entry free of duty.

Under the 5th section of the act of July, 1862, on "orchil and cudbear," a duty of 10 per centum ad valorem is imposed.

It will be observed that the phraseology in the act of July, 1862, differs from that in the act of March, 1861, only in the transposition of the words "orchil and cudbear," and in the absence of the word "vegetable," which last word it may be said was superfluous, inasmuch as cudbear, being a distinctly defined article, needed no qualification.

It is apparent that the attention of Congress was, as is shown by the preparation of the act of July, 1862, distinctly drawn to the subject; and if it had been intended that any form of orchil or archil was to be exempted from the ten per cent duty, it is reasonable to presume that it would have been specially provided for.

I am of the opinion that the article in question, imported by Mr. JOHN BOYD, Jr., was properly assessed at 10 per cent ad valorem, and your decision is hereby affirmed.

I am, very respectfully,

S. P. CHASE,
Secretary of the Treasury.

To HIRAM BARNEY, Esq.,
Collector, New York.

BRANDY.

Treasury Department, May 3, 1864.

SIR:

I have considered the appeal of Messrs. PATTERSON & BOULTON, of Philadelphia, from the decision of the collector of New York, assessing duty, at the rate of 50 per cent ad valorem, on certain brandy imported into the port of New York by E. W. ENOS & SON, which it is alleged was 46° and 48° proof, and it is claimed that the legal duty is $1\frac{50}{100}$ per gallon.

It has been decided by the Department that the proof of spirits shall be ascertained, &c., and the indication of 50 per cent, &c., is to be regarded as first proof. (See circular December 19, 1861.)

The sixth section of the act of March 2, 1861, levies a duty on "brandy for first proof, $1 per gallon," and further provides that, on "all spirituous liquors not enumerated, 33½ per centum ad valorem shall be paid."

The first section of the act of 5th August, 1861, provides that, in lieu of the existing duty of $1 per gallon, $1\frac{70}{100}$ shall be paid on brandy per gallon; and the sixth section of same act amends the 6th section of the act of March 2, 1861, so as to make it read, that no lower rate or amount of duty shall be levied on brandy &c., than that now fixed by law for first proof, but shall be increased, &c., &c.

The second section of the act of 14th July, 1862, provides that, in addition to the duties heretofore imposed on brandy for first proof, 25 cents per gallon shall be levied; and on all spirituous liquors not otherwise enumerated, there shall be levied an addition of 16¾ per cent ad valorem.

Thus, it will be seen that, by the existing tariffs above referred to, brandy of first proof is subject to duty at $1.50 per gallon, and that brandy under first proof—being a spirituous liquor not otherwise enumerated—is subject to an ad valorem duty of 50 per cent, unless said ad valorem duty of 50 per cent should amount to a less sum than $1\frac{50}{100}$ per gallon, in which case $1\frac{50}{100}$ shall be exacted; but if it amounts to more than $1\frac{50}{100}$ per gallon, then the duty of 50 per cent, according to its value, shall be assessed and collected.

Without this construction, the provision of the statute that spirits not otherwise provided for shall pay an ad valorem duty of fifty per cent would be inoperative in its relation to brandy and all other spirits under first proof.

The very provision itself, that it shall not pay less, enacts that it may and must pay more, if the duty, as realized by the ad valorem rate is more.

It was decided by the Department, 17th September, 1861, upon the appeal of WM. R. HORTON from the decision of the collector of Boston, (a printed copy of which is herewith transmitted,) that gin under first proof should, under the tariff of March, 1861, be classified as "spirituous liquors not enumerated," subject to an ad valorem duty.

The decision of the collector at New York is hereby affirmed.

I am, very respectfully,

S. P. CHASE,
Secretary of the Treasury.

To WM. B. THOMAS, Esq.,
Collector, Philadelphia, Penn.

GAMBIA.

Treasury Department, May 3, 1864.

SIR:

The question as to the proper rate of duty to be assessed on gambia, gambir, or gambier, has been presented to this Department by the appraisers at your port, and the subject was referred to experts and scientific gentlemen for their views. The result may be briefly stated thus:

Gambia is nowhere designated in any of the tariff acts by name, but has been included under the general term of "terra japonica," of which catechu or cutch may be considered a variety.

Under the act of March, 1861, (23d section,) "teara japonica, catechu, or cutch," were admitted free; but under the act of July, 1862, (5th section,) cutch or catechu are made liable to a duty of 10 per cent ad valorem.

It is claimed that, by reason of terra japonica not being provided for in the act of July by name, it still stands in the 23d section of the act of March, 1861, and should be admitted to entry free of duty.

In this conclusion I cannot agree with the appraisers. It is more reasonable to suppose that Congress, having discovered that "terra japonica" was a misnomer, excluded it from the act of July, 1862, for that reason only.

Gambia is essentially identical with catechu or cutch. They are alike in their physical properties, as color, taste, smell, and solubility; in their chemical properties, as shown by their analysis; in their medical properties, both being powerful astringents; in their technical properties, both being used in the arts for precisely the same purposes.

I am of the opinion that gambia should be assessed at the same rate of duty as catechu or cutch, viz.: ten per cent ad valorem, by virtue of the 20th section of act of August, 1842.

I am, very respectfully,

S. P. CHASE,
Secretary of the Treasury.

To HIRAM BARNEY, Esq.,
Collector, New York.

FORTY CENTS PER GALLON, UNDER ACT OF MARCH 7, 1864.

Treasury Department, June 13, 1864.

GENTLEMEN:

Your appeal is received, dated April 20, 1864, from the decision of the collector at New York, exacting the payment of forty cents per gallon, in "coin or specie," under the act of March 7, 1864, on six quarter casks of brandy imported by Messrs. C. DORD & Co., April 4, 1863, per ship "Libertas," from Bordeaux, and transferred by C. DORD & Co. to you.

The enclosed circular will explain that the additional duty of 40 cents per gallon was to be regarded as an internal revenue tax on all spirits bonded in government warehouses prior to March 7, 1864. On spirits imported on and after that day, the character of the tax changed, and it became that of an imported duty, and as such payable in funds receivable for duties.

It appears the brandy in question was imported into New York, April 4, 1863, and was in bond when the additional duty of 40 cents was collected; and you are, on compliance with the conditions of the enclosed circular, entitled to the relief asked for, so far as relates to the payment, in "coin or specie," of the additional 40 cents, as distinguished from "legal tender notes," so styled by you.

I am, very respectfully,

S. P. CHASE,
Secretary of the Treasury.

To Messrs. P. W. ENGS & SON,
New York.

BOOT AND SHOE LACINGS.

Treasury Department, June 15, 1864.

GENTLEMEN:

Your appeal (No. 1,560) dated April 20, 1864, has been considered. The collector at Portland assessed a duty of 35 per cent upon certain merchandise

imported by you per "Hibernian," April 4, 1864, which you allege to be cotton braids, and liable to a duty of only 25 per cent ad valorem.

The goods in question are not in fact, nor as commercially known, "cotton braids," but are "boot and shoe lacings" manufactured from cotton thread, having ends secured and covered with tin, and were properly classified under the 22d section of the tariff act of March 2, 1861, and section 13 of the act of July 14, 1862, the former imposing 30 per cent and the latter 5 per cent in addition thereto on "articles worn by men, women, or children, of whatever material composed, made up, &c., not otherwise provided for."

The decision of the collector is hereby affirmed.

I am, very respectfully,

S. P. CHASE,
Secretary of the Treasury.

To Messrs. STODDARD, LOVERING & Co., Boston, Mass.

BRASS PADLOCKS.

Treasury Department, October 3, 1864.

SIR:

I have received the appeal (No. 2,352) of H. & J. W. KING, dated August 27, 1864, from your decision assessing duty, at the rate of 45 per cent, on certain brass padlocks imported by them.

The appellants allege: "These goods we have paid duties upon up to this time as hardware. The appraiser under the new tariff values them as manufactures of which steel is a component part, to wit: the spring which is attached to the bolt, and therefore to pay 45 per cent instead of 35 per cent."

You have assessed the duty under the 43d subdivision of the 3d section of the act approved June 30, 1864, which reads as follows:

"On all manufactures of steel, or of which steel shall be a component part, not otherwise provided for, forty-five per centum ad valorem: *Provided*, That all articles of steel partially manufactured, or of which steel shall be a component part, not otherwise provided for, shall pay the same rate of duty as if wholly manufactured."

It is thus a repeal of the clause of the 22d section of the tariff of March, 1861, enumerating articles of metal, steel being mentioned, of which either metal "is the component material of chief value," so far as articles not otherwise provided for, into the composition of which steel enters, are concerned. No specific provision for "brass padlocks" is made in the act approved June 30, 1864, or in previous acts; consequently, they are properly classified under the 43d subdivision of the June tariff quoted, and are dutiable at 45 per cent.

I am aided in arriving at this conclusion by the suggestion that as the padlocks in question might be classified as manufactures of which brass is of chief value, and as manufactures in which steel enters, the 20th section of the tariff of 1842 would determine the assessment under the latter classification as paying the higher rate.

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To SIMEON DRAPER, Esq., Collector, New York.

PETROLEUM INVESTMENTS.

THE capital now being invested for the purpose of developing the petroleum interest is beyond precedent. Every week new companies are organized, very many of them giving promise of unusually favorable results. Dividends of from 3 to 5 per cent per month are by no means uncommon. Of course if such re-

turns could be depended upon, from year to year, the flow of capital towards petroleum investments would be even much more rapidly increased. Comparatively few, however, anticipate so rich a harvest, and yet so long as the present high prices are maintained, we cannot see how investments in the good companies can fail to be extremely remunerative. The cost of working the land is comparatively small, and when a good well is struck the returns are enormous, leaving a large balance of profits.

We have been requested to call attention to the New York and Liverpool Petroleum Company, (71 Broadway,) as one of unusual promise. Of course we know little with regard to the actual resources of the land held by that corporation, not having examined it personally. Yet its list of property, favorably located, is very large indeed, and the names of its directors are a guarantee of good faith. For every five dollars subscribed ten dollars in stock is received, so that if the company is successful the profits must be very large. Were we about to make investments of that nature, we should certainly be favorably inclined towards this company, and give it a further examination.

THE BOOK TRADE.

Cyclopædia of Commercial and Business Anecdotes. Embellished with Portraits and Illustrative Cuts. 2 vols. By Frazer Kirkland. D. Appleton & Co., 443 and 445 Broadway. 16 Little Britain, London.

This work is a collection, original and selected, of the choicest and most striking anecdotes relating to business men and commercial pursuits, from the earliest recorded trading transactions down to the present time. No one who is pleased with the ludicrous, the witty, the mirthful in life, will be disappointed in its contents; while with most of the incidents is conveyed, in this pleasant way, a valuable lesson easy to be understood. In a word, it is a capital work, well arranged, carefully prepared, and very creditably published, and will undoubtedly secure a prominent place in the libraries of a large circle of readers. The fine engravings of some of our leading commercial men add greatly to its value.

The "Cyclopædia" is fast becoming quite an extensive family. How we ever lived without it is the great wonder. We have Cyclopædias of Art, of Literature, of Science, of Commerce, etc., etc., and now we can add to the long list this latest born. They are all invaluable, and in one way and another decendants of the venerable "Chambers." For this class of works American readers and writers are particularly indebted to the Messrs. Appleton. The new American Cyclopædia published by them is well known and thoroughly appreciated; while their yearly book is always full and reliable. But every additional publication of this kind will find a welcome. We therefore give the Cyclopædia family a hearty "God speed"—may it be fruitful and multiply.

An Epitome of General Ecclesiastical History, from the earliest period; with a condensed account of the Jews, since the destruction of Jerusalem. By John Marsh, D. D. W. W. Dodd, 506 Broadway.

This history of Dr. Marsh takes up the story of religion from earliest dates and brings it down to our own day. The work is divided into three parts or periods; the first extending from the creation to the call of Abraham; the second, from the call of Abraham to the birth of Christ; the third, from the birth of Christ to the present time.

Such a history cannot fail to meet with favor. To very many, even of the conscientious readers of Scripture, the historical narrative is but little understood, and especially is this the fact with regard to the events of the period intervening between the end of the Old and beginning of the New Testament. This book gives us the narrative complete, and will be found, therefore, a very valuable assistant in the study of the Bible.

The Correlation and Conservation of Forces. A Series of Expositions, by Professor Grove, Professor Helenholtz, Dr. Mayer, Dr. Faraday, Professor Liebig, and Dr. Carpenter; with an Introduction and brief Biographical Notices of the chief Promoters of the New Views. By Edward L. Youmans, M. D. D. Appleton & Co., 443 and 445 Broadway.

It seems almost a work of supererogation to say anything in favor of a book, which is able to boast of so many great men as its authors; and even if its title page were robbed of these high names, the interesting topics of which it treats would be sufficient to render it acceptable to the scientific world. It consists of a series of essays one or more by each of the persons named, on the Correlation and Conservation of Forces, which, said the President of the British Association for the Advancement of Science, "constitute the most important discovery of the present century." It is cause for congratulation, that Dr. Youmans has seen fit to introduce us, in this pleasant way, to these scientific European celebrities.

Essays; Moral, Political, and Aesthetic. By Herbert Spencer. D. Appleton & Co.

This book is a collection of those essays of Mr. Spencer formerly published in various English periodicals, and which have not yet been given to the American public. The great demand for his works in this country, and the difficulty of obtaining them from England, owing to the high rate of exchange, have led to this republication. As a moral philosopher Mr. Spencer has taken a very high stand, and the profound study by which he has mastered the subjects of which he treats, have given him a world wide and lasting reputation. No production of his pen, therefore, could fail to meet with general acceptance, and many of the essays of this collection have an especial claim upon the American public.

History of the Romans under the Empire. By Charles Merivale, B. D. Vols. V. and VI. D. Appleton & Co.

Two additional volumes of Mr. Merivale's history have now issued from the press of the Messrs. Appleton. The fifth commences with the reign of Tiberius, and the last chapter of the sixth gives an account of the seige of Jerusalem, with the capture and destruction of the city by Titus. These volumes embrace the reign of Nero, and consequently some of the most interesting portions of Roman history. There is but one volume more to be published to make the set complete. It would be difficult to find so handsome or interesting a work with which to make a really valuable Christmas gift.

The Early Dawn; or Sketches of Christian Life in England in the Olden Time. By the author of "Chronicles of the Schomberg Cotta Family," with an introduction by Professor H. B. Smith, D. D. New York: M. W. Dodd, 12mo. Price $1 75.

No recent publication has been received with greater favor, than that charming book the "Chronicles of the Schomberg Cotta Family," and now we have another volume from the pen of the same author. Early Dawn is intended to illustrate, by a series of stories, "Christian Life in England in the Olden Time." There are nine of these stories, illustrating as many different epochs; beginning with the introduction of Christianity, when the Druids still retained away over portions of Britain, and closing

with a story of the Lollards. The author has reanimated these remote times with graphic conceptions of life and character, clothing with reality and a lively interest the events pertaining to the early religious history of England. Here we see vividly portrayed the difficulties, the dangers, and the trials, which beset the paths of our ancestors, as they groped their way from darkness into light, while all the peculiarities of those remote periods are faithfully brought out by one, who has an unusual power of appreciating them. The book is one which will be, like its predecessor, extensively read.

Memoir of Mrs. Caroline P. Keith, Missionary of the Protestant Episcopal Church to China. Edited by her brother, WILLIAM C. TENNEY. D. APPLETON & Co., 443 and 445 Broadway, N. Y.

We have seen few books of more real value to one who takes an interest in the extension of Christianity throughout the world than this Memoir of Mrs. CAROLINE P. KEITH. Mrs. KEITH was one of the most energetic and faithful of those great and good women, who, at the call of duty, and influenced by a strong desire to make known to others the blessings and consolation of the Christian faith, have left their country and friends to labor in the field of missionary effort. The story of her life and work is told by herself—the book being merely a collection of her letters written to different friends, and not, of course, intended for the public eye. The account which some of them contain of the civil disturbances in China are also of general interest. She died, it will be remembered, about two years since.

Thoughts on Personal Religion. By EDWARD MEYRICK GOULBURN, D.D., Prebendary of St. Pauls, Chaplain to the Bishop of Oxford, etc, with a prefatory note by GEORGE H. HOUGHTON, D. D., of New York. D. APPLETON & Co., 443 and 445 Broadway, New York.

We are indebted to Dr. GOULBURN for a number of the most useful religious works that have of late years issued from the press, many of which are no doubt familiar to our readers. This treatise on the Christian life is equal, if not superior to any of his other writings. It would appear to have been written not for those in retired life, but more especially for all who are engaged in the ordinary avocations of the world, for the purpose of teaching such how to sanctify the "secular all engrossing pursuit and the daily toil," so as to be fervent in spirit as well as not slothful in business. The style is vigorous and agreeable, so that the book is far from dry to any reader.

The Haunted Tower. By Mrs. HENRY WOOD, author of "The Channings," "The Earl's Heirs," "Verner's Pride," &c., &c. T. B. PETERSON & BROTHERS, Philadelphia. Price 50 cents.

Mrs. WOOD is a marvel in her way. Her ability to write books has no limit. Each new moon seems to bring with it a new creation of her brain, with a plot so mysterious and thrilling that it would seem as if her very life were made up of a succession of dead secrets, startling disclosures, and mysterious murders. The Haunted Tower is, in these respects, not unlike some of its predecessors, and will, therefore, prove a feast to novel readers. The man that was supposed to be murdered is not murdered—the dead man is found to be alive, and the live man dead—while the poor heroine is the victim of both.

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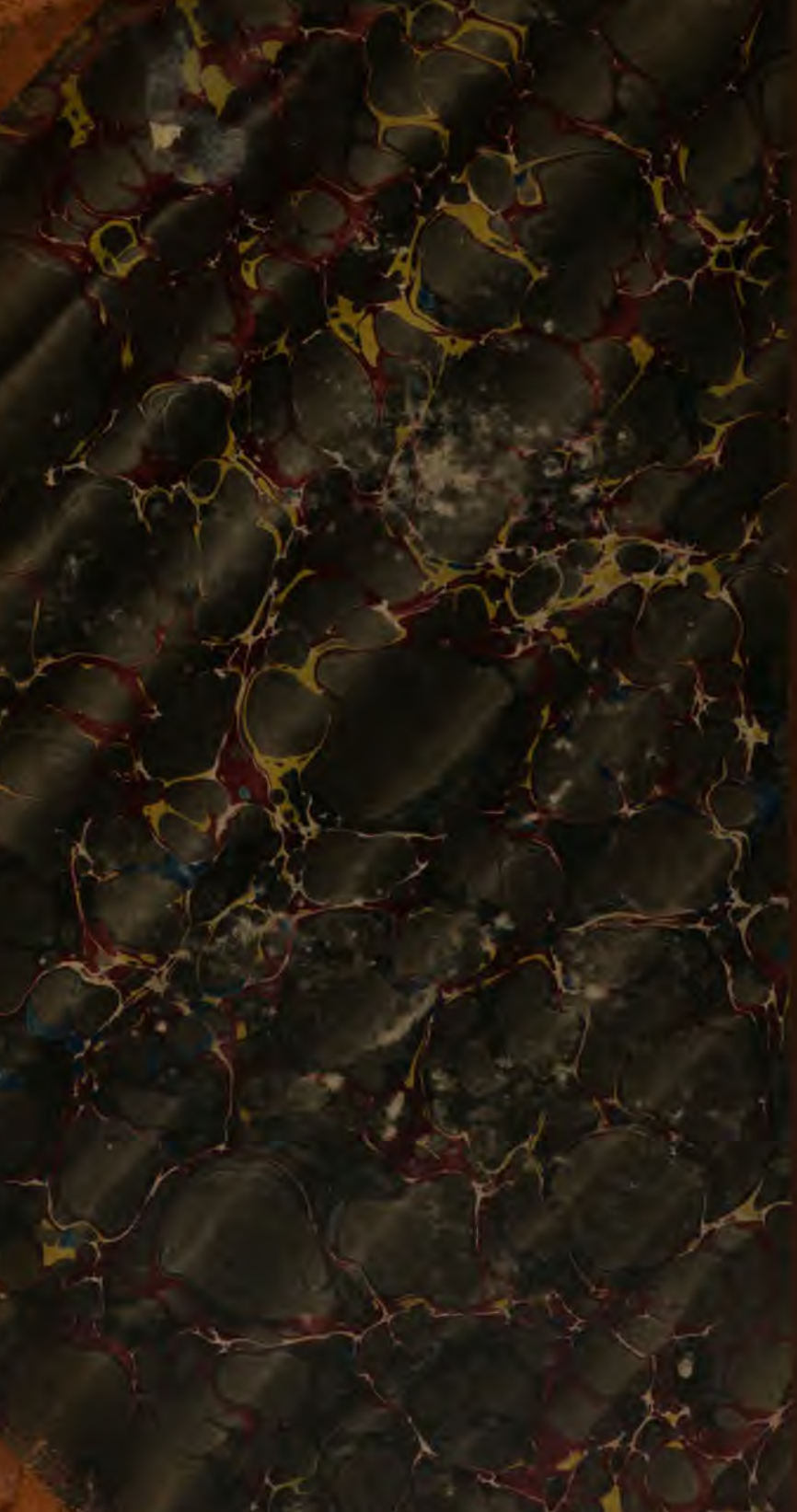
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